

D-7794

Memorandum.

MUNICIPAL ADVOCATES' OFFICE.
MUNICIPAL COUNCIL.

To Shanghai, 25. 4. 1940
H. J. Logan

The only thing a
supposed Communist
can be charged with
is "endangering the
Internal Security of
the Chinese Republic"
side sponsor of
M. L. K. M. A.
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SHANGHAI MUNICIPAL POLICE

SHANGHAI MUNICIPAL POLICE

S. S. REGISTRY

No. S. B. D. 7794
S. 1. Special Branch
Date April 30, 1940

REPORT

Subject: Extract from North China Daily News entitled "No Crime to be
a Communist"

Made by D. S. I. Logan Forwarded by D. I. Crawford

The attached extract from the April 16th issue of the North China Daily News, entitled "No Crime To Be A Communist" was taken to the M. A.'s Office on 17.4.40, with a view to ascertaining whether the S.S.D. Court had received any instructions on the law relating to Communists.

The matter was taken up with the President of the Court by Mr. Lea, A/M.A. and the following information conveyed to the Special Branch by Inspector Pike, attached to the M.A.'s Office, on 25.4.40, viz :-

"The only thing a supposed Communist can be charged with is Endangering the Internal Security of the Chinese Republic."

Commr. of Police.

Sir:

Information.

R. D. Pike
D. C. (Sp. Br.)

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C 30/4



D. S. I. Logan
D. S. I.

D. C. (Special Branch)

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INDEXED BY
(S. B. REGISTRY)
DATE 2/5/40

APR 16 1939

No Crime to Be a Communist

Man Imprisoned for Six Years
Acquitted Under Latest
Chinese Regulations

A Chinese Communist charged in a Shanghai court with endangering the Republic of China may be declared not guilty because the Regulations Governing the Punishment of Those Endangering the Existence of the Republic have been revised. This has just been revealed in the Third Szechwan High Court where Judge Wu acquitted Hsiang Yu-wu, an alleged member of the Chinese Communist Party, who has been wanted by the French police here for some years and who is still at large.

The judgment simply reads that Hsiang Yu-wu, who is charged with endangering the Republic, is acquitted. It was also said in Court that although the police have been looking for Hsiang for six years, they have not been able to find him. He was summoned by the Court several times but he failed to appear and the Court had then to serve public notice, but he again did not make an appearance.

The Supreme Court studied the case and referred it to the High Court where a lawyer was appointed to present arguments in favour of Hsiang. The case was discussed in Court and the Judge stated that since the regulations had been revised there could be no punishment for Hsiang. In the past he might have been sentenced to heavy prison terms or death.

Hsiang was wanted together with several other Communists including Mrs. Ho Lung, wife of the famous Chinese Red army leader, who is now fighting on the front, and Ho Kan-cheng, brother of the general. Mrs. Ho and the general's brother were arrested six years ago. The former has already served her prison term, while the latter and of Hsiang are still at large.

FILE

**CONFIDENTIAL
FILE**

SHANGHAI MUNICIPAL POLICE

S. B. REGISTRY

No. S. B. D. 1794

Date 10-1-38

File
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P.A.U.

SHANGHAI MUNICIPAL POLICE.

File No.

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Date 19

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<u>Area</u>	<u>Responsible Defence Forces and Commanders</u>
South Anhwei and Anhwei-Kiangsi border.	Central and Kwangsi troops under Generals Pai Chung Hsi (白崇禧) and Chen Cheng (陳誠).
Chekiang & Fokien Provinces.	Central and Kwangtung and other provincial troops under General Chang Fah Kwei (張發奎).
Kiangsi-Chekiang and Fokien borders.	Former remnants of the red armies along the Fokien-Kiangsi border who were recently re-organized as the 4th Route Army under General Hong Ying (項英), a red army commander.
Kwangtung and Kwangsi Provinces.	Provincial troops now placed under the control of Gen. Li Chi Seng (李濟深).

Conscription is being rigidly enforced in inland places in order to build up new and efficient armies to replace most of the provincial troops who are engaged at present in the front lines as their ability being much below standard. Hunan and Kwangsi have been made two training centres and General Chang Chi Chung (張治中), commander of the Chinese forces in Shanghai at the beginning of the local hostilities, who is now Chairman of the Hunan Provincial Government, has been appointed to take charge of the training of these recruits. Gen. Chang was formerly Dean of the Military Academy in Nanking and is reported to be an expert in military training.

The 8th Route Army is likewise accelerating the building up of new units. Mr. Chen Shao Yu (陳紹禹), better known as Wong Ming (王明), alias "Golubieff," General-Secretary of the Communist Central in 1931, has been appointed Chief

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of the Political Department of this army, to assist in the training of the masses in Shansi, Shensi and Charhar provinces, in order to prepare them for guerilla warfare behind the Japanese lines.

Kuh Tao-hwa

D. I.

D.C. (Special Branch)

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Dec 1937

IMPORTANT CHANGES ARE FORESHADOWED

Former Red Leaders In China Are Invited To Important Posts

Since the fall of Nanking important changes in the military, political, and economic situation of the country are to be noticed. All efforts are being made to mobilize the entire country, to carry on armed resistance to the bitter end, states the "Social Daily News."

Military Affairs: General Chiang Kai-shek, Chairman of the Military Affairs Commission, will make changes and readjustments in the command on various fronts. The Shansi-Shensi front, it is reported, will be delegated to the Eighth Route Army, all troops being placed under the command of Generals Chu Teh, Peng Teh-hwei, Hsu Hsiang-chun, and other ex-Red Army commanders, who will be appointed to various important military posts in Shansi and Shensi provinces.

On the Peiping-Hankow Railway, General Li Tsung-jen will be appointed commander of the Chinese forces, being shifted from his present station on the Tientsin-Pukow line. The troops on the Tientsin-Pukow Railway will be placed under the command of General Tang Sheng-chih. On the Kiangsi and Anhwei fronts, the troops stationed there from Yunnan, Kweichow, Szechwan, and Hunan will be put under the command of General Fui Tsung-hai. On the Chekiang and Fukien front, the crack units of Generals Hsieh Yu, Miao Pei-nan, Wu Chi-wei and Hwang Chi-hsiang are stationed, with General Chang Fu-kwei as commander-in-chief in this area. In South China, if serious fighting expands to that area, General Li Chi-man will be appointed commander-in-chief at Canton.

Political Affairs

Important changes will be made in the government at Chungking. Mr. Chou En-li and General Mao Tse-tung, leaders of the former Chinese Soviet districts, will be appointed to high positions in the government. General Mao and Mr. Chou, who have been stationed at Yenan and Linfeng respectively, have arrived at Nanchang in response to a summons from General Chiang Kai-shek. Both of them will play an important political role in the future. The State Council, the highest Government organ, will have from five to seven members.

Foreign Affairs

Mr. Wang Chen, former Chinese Minister to the Soviet Union, is reported to have gone to Moscow. Mr. Wang Chen was Chinese Minister to the Soviet Union, and is now serving in the Soviet Union. It is reported that the Chinese Government has decided to send a mission to the Soviet Union. The mission will consist of a Chinese delegation and a Soviet delegation. The mission will discuss the Sino-Soviet alliance and other important matters.

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A. J. Kuhl
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29 DEC 1937

Kuomintang-Red Unity Arranged

Communists Ask United Front Against Japan In Xmas Message

(United Press)

HANKOW, Dec. 25.—Indication that plans were afoot for permanent and intimate co-operation between the Kuomintang Communist Party and the Communists in forming a united front against Japan was given in a Christmas message issued today by the Communist Party.

The manifesto, issued in connection with the current situation, declared that the Central Headquarters of the Chinese Communist Party wishes to announce to the entire nation that there is a strengthening of intimate co-operation between the Kuomintang and the Communist Party in the anti-Japanese struggle to establish a national united front against Japan.

Need Realized

"The two parties have now not only realized the absolute necessity to co-operate but they have become determined to effect a speedy national union.

The Chinese Communist Party has decided to co-operate with the Kuomintang not only during the campaign of resistance against the Japanese but also after the eventual victory in the work to construct a new China.

"At the present dangerous juncture, the Communist Party likes to suggest that the Chinese nation should perform along the following lines:

- "1. Mobilize all national military material and financial resources and man power. Be ever alert in resisting aggression against China in North China and Manchuria.
- "2. Consolidate, change and unify the national Revolutionary Army.

Stronger Organization

"3. Strengthen the National Government.

"4. Carry out the National Defense Movement.

"5. Consolidate the nation to resist the Japanese aggression.

"6. Establish a national united front against Japan.

"7. Carry out the national revolutionary struggle to establish a new China.

"8. Establish a national united front against Japan.

"9. Carry out the national revolutionary struggle to establish a new China.

"10. Establish a national united front against Japan.

Diplomatic Busy
(United Press)

HANKOW, Dec. 25.—Coincidental with the United States having expressed satisfaction with the settlement of the Fungo incident, observers here were noting with interest today maneuvers on the Sino-Soviet diplomatic front.

They attached more than a passing significance to the appointment of the new Russian Ambassador to China, the sudden arrival of Mr. Wang Ming, Communist delegate after a five-year exile in Moscow, and the impending return of the Chinese Ambassador from Moscow. Interest was also centered on some alleged plans of the appointment of Mr. Sun Fo as the new Ambassador to Russia.

The Ts Tung Pao this morning stated its hopes for an early settlement of the Fungo incident, and Mr. Sun Fo, who had been in Moscow for five years, was expected to return to China soon. The paper also mentioned the appointment of Mr. Wang Ming as the new Chinese Ambassador to Moscow.

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At the headquarters of the Chinese Communist party he received the assurance that although the party still continued to exist it had nevertheless renounced for the time being the carrying out of its function or commission of political activity and the overthrow of the existing government.

THE

The danger to which China was exposed had caused the Communist party to seek cooperation with the Central Government in order to strengthen the resistance to Japan. Therefore, the _____ had _____ and _____ had been dissolved and _____ had been incorporated in _____ of China.

Communist Party did not insist
on strict discipline from any
other party after the war.
The Communist Party was
not interested in a party
that would be a party to
the people.

The Communist spokesman thereupon transmitted the latest party manifesto which will be published shortly. The manifesto appeals to the Chinese nation to make the necessary sacrifices in order to strengthen national resistance and to create united China. Inquiries at the office of the leading Chinese newspaper have revealed the fact that by order of the government the manifesto had not been admitted for publication as the authorities are anxious to prevent any intensified Communist propaganda.

The chief spokesman of the Communist party stated that the leadership of the Communist party were determined to push that it was necessary to have a Communist party in the United States. He stated that it was necessary to have a Communist party in the United States. He stated that it was necessary to have a Communist party in the United States.

Training Content

In reply to the question whether the forthcoming recognition of the Chinese government might result in placing certain Communist leaders in leading positions as a friendly gesture towards Moscow, the Foreign Office spokesman declined to say.

The American admitted that the Chinese government strongly resented the U.S. move to make early delivery of U.S. warships, which were being loaned to Japan, and that the Chinese government was deeply concerned over the possibility of a U.S. naval base in the Philippines.

S.I.
29/12

L. K.

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December 30, 1937.

afternoon Translation.

To Wei Wen Pao of Dec.29 and other local newspapers (Hankow telegram):

CHINESE COMMUNIST PARTY IS-UES MANIFESTO

The following manifesto was issued by the Central Committee of the Chinese Communist Party on Christmas Day:-

"The co-operation between the Communist Party and the Kuomintang to strengthen the united front against Japan is being gradually intensified. The Communist Party and the Kuomintang have decided to establish closer relationship in future. Besides co-operating with the Kuomintang during the period of military operations against Japan, the Chinese Communist Party will work with the Kuomintang for the reconstruction of a modern China after final victory has been achieved. At this time of national crisis, the following work should be carried out immediately:-

- SI
- 1) A mobilization of the human power, materials and financial resources of the country. Every effort be made to prolong the resistance in North China and to defend Hankow.
 - 2) The revolutionary troops throughout the country be strengthened and enlarged.
 - 3) The organization of the National Government be strengthened.
 - 4) An economic policy for the defence of the nation be enforced.
 - 5) The people of the country be organized to participate in anti-Japanese hostilities.
 - 6) The propaganda work be expanded.

"We are confident that China will defeat the Japanese Imperialists, because the democratic nations throughout the world are in sympathy with China. The people of Japan and of the world detest the Japanese militarists."

D. J. Fitch
C 4 1/2

SECRET

SHANGHAI MUNICIPAL POLICE

File No.

S.I. Special Branch */// 11/11/37*

REPORT

Date December 8, 1937

Subject Brief resume of the political situation in China in 1937:

Reconciliation between the Kuomintang and the Chinese Communist Party.

Made by D.I. Kuh Pao-hwa

Forwarded by C. Crawford D.I.

In October 1936 - prior to the Sian Coup d'Etat - the Chinese Communist Party changed its original policy of "class struggle" and endeavoured to adopt a programme of co-operation with the Kuomintang with a view to achieving a common front against the incessant Japanese aggression. In the early stages, the Nanking Government doubted the sincerity of the communists, but, as the necessity for future co-operation between the two parties became increasingly apparent, negotiations through an exchange of representatives appointed by Nanking to Ma Yao-pao (馬耀保), then the Red capital in North Shensi, or vice versa, were carried out. Nothing tangible, however, resulted from these conversations, and when the Sian incident of November 12, 1936 occurred, all hope of liaison between the two parties was abandoned. However, strange to say, the incident accelerated the delayed union - the formation of a united front against national aggression, especially Japan.

During the Sian Coup d'Etat (November 12 to December 25) certain leaders of the Chinese Communist Party, such as Mao Shih-tung (毛澤東), commander of the Red Army, Chow En-lai (周恩來), once Secretary of the Chinese Communist Party, and Zing Paung-shien (董邦賢), ex-Chief of the Chinese Communist Youth League, were given an opportunity of conferring with Generalissimo Chiang Kai-shek, when an amicable understanding was reached. This conference gave rise to many false rumours which were calculated to camouflage the real motives for convening the conference. The conclusion of an agreement containing eight clauses was, however, emphatically denied by both parties.

On his return to the South, Generalissimo Chiang Kai-shek

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retired for a time to his native village at Fenghua, Chekiang Province, to study the situation and to await crystallization of the views of his colleagues in the Nanking Government. As soon as he had won over a majority in support of his proposal for a rapprochement, he proceeded to the capital to attend the Third Plenary Session convened in February 1938, when the declaration of the reunion was received without opposition.

This reunion of the Government with the Chinese Communist Party brought about the following political changes:-

- 1) The initial change in name of the Chinese Red Army to "The People's Revolutionary Army" formerly known as the "Eighth Route Army of the National Revolutionary Army."
- 2) The deletion of the nomenclature "Chinese Soviet Republic."
- 3) The release of political offenders throughout the country.
- 4) The cessation of communist propaganda attacking the Nanking Government.
- 5) The regular payment of 100,000 soldiers of the People's Revolutionary Army by the Nanking Treasury.
- 6) The exchange of representatives and the establishment of offices at Sian(Shensi), Fu-axe(North Shensi), Nanking and Shanghai: Chang Chung(張冲) being the Government representative at Sian, Yih Chien-ying(葉劍英), the communist delegate at Nanking, and Pan Han-nyien(潘漢年), Chief of the Shanghai Office residing in this city.

The rapprochement brought a cessation of internal strife

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and a period of peace ensued - followed by signs of growing prosperity in China. The leaders of all political parties assembled and held round-table conference at Lushan and elsewhere to discuss the problems of national defence and industry, and measures on the future development of China's resources were drafted. Had these circumstances been allowed to continue, the nation would, in time have attained a standard of progress, both militarily and economically, hitherto unknown in China.

On the other hand, no sooner had internal peace been restored within China Proper, than the country was faced with external aggression on the Mongolian border and the new menace at Suiyuan gave the Chinese people a fresh impetus for a nation-wide anti-Japanese campaign which resulted in the arrest of seven leaders of the local national salvation movement in November 1936. The Chinese Government perceived that through the apprehension and conviction of these so-called radicals, the intensity of the movement would be greatly reduced. However, this step met with much opposition, especially among certain military leaders who, thenceforth, brought pressure on the Government to adopt a stronger attitude towards foreign aggression.

Perceiving the sudden change in the attitude of the Chinese Government towards her, Japan accused the Kuomintang of fostering Communist co-operation in its fight against Japanese policy in China and used this as a pretext for large-scale aggression.

The Lukuoohiso Incident of July 8 marked the commencement of this policy of aggression on the part of Japan and at the

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same time signalized a wave of anti-Japanese sentiment, unprecedented in the history of China, against which the government was unable to continue to execute its policy of passive resistance.

During the Shanghai conflict which lasted from August 13 to November 12, soldiers of the various military units and members of different political cliques, including the seven released leaders, united in a propaganda campaign on national salvation lines. So far no friction or jealousy between the two parties has come to light since the rapprochement between the Kuomintang and the Chinese Communist Party in their so-called "United Front" policy against Japan's armed encroachment.

Shih Tiao-hua.

D. I.

D.C. (Special Branch).

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SECRET

SHANGHAI MUNICIPAL POLICE
S. B. REGISTRY

No. *RS* No. *D*

Date

Station

SHANGHAI MUNICIPAL POLICE.

REPORT

Date *July 2, 1937.*

Subject *Alleged visit of Mr. Chow Ung Lai, Vice-Chairman of the Revolutionary Military Council of the Chinese Communist Party, in Shanghai and the present relations between the Kuomintang and the Communist Party.*

Made by *Clerk Liao Chung Chien* Forwarded by *J. Boyne D. S. I.*

With reference to the attached newspaper reports to the effect that Mr. Chow Ung Lai, Vice-Chairman of the Revolutionary Military Council of the Chinese Communist Party, recently visited Shanghai with the object of re-organizing the Party, I have to state that this information lacks confirmation. The report probably arises out of the following circumstances:-

Following the conclusion of a rapprochement during the Spring of 1937 in consequence of the Sian incident between the Communist Party and the Nanking Government, the former issued an order instructing that the "Central Political Bureau" (中央政治局) (chief executive organ) together with its various branches be replaced by organs to be entitled "District Offices of the Special Area of the Chinese Republic."

In May 1937 one named Chang Kuo Zou (張國燾), a member of the Communist Party, was appointed by the Party to take charge of the "Shanghai Office of the Special Area of the Chinese Republic" (中華民國特區駐上海辦事處). At the beginning of June Chang was instructed to invite local professors to proceed to the North West to give lectures to students of the North West University in Shensi. At the same time he was given, through another member of the Communist Party, several letters written by Mr. Chow Ung Lai and addressed to some of the professors who were formerly friends of Mr. Chow. On being approached by Chang with these letters the professors suspected that Mr. Chow was in Shanghai hence the outcome of the rumour of Mr. Chow's visit here.

From reliable sources the following information has been obtained regarding the present relations between the Communist Party and the Kuomintang:-

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Mr. Chiang Ching Kuo (蔣經國), son of Generalissimo Chiang Kai Shek and an ardent believer in communism, who returned to China from the U.S.S.R. in April, 1937, is now being made use of as a liaison officer by the Nanking Government, the Chinese Communist Party and the U.S.S.R.

He is at present residing in Chi Kou (嵗), Fenghua, Chekiang, where Marshal Chang Hsueh Liang is staying more or less under detention. Recently several meetings between representatives of the Nanking Government and the Communist Party were held in Chi Kou and the following are amongst the more important resolutions which were passed during these meetings:-

1. That Generals Chu Teh (朱德), Mao Shih Tung (毛澤東), Yih Kien Ying (葉劍英) and 7 others (names unknown) be appointed to be commanders of the 10 divisions of the reorganized red armies.
2. That the reorganized red armies be called "National Revolutionary Armies." (國民革命軍)
3. That anything affecting the "National Revolutionary Armies" be discussed by the 10 divisional commanders and Gen. Koo Tao Dong (顧祝同), Chief of the Field Headquarters at Sian, before a decision is made.
4. That the Military Commission of the Nanking Government be invested with the authority to direct the "National Revolutionary Armies" after the Government has declared war with Japan.

When the above resolutions were first put forth by the delegates of the Communist Party, they were refused consideration by the Kuomintang representatives at the meeting

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on the grounds that they were contrary to the terms in settling the dispute between the two parties. However, in order to smooth the situation, the Communist delegates declared that in exchanging for the agreement of the Kuomintang with these resolutions the Communist Party would forsake the control of all the remnant red troops in Fokien, Kiangsi and Anhui, and permit the Kuomintang to reorganize and place them under the control of Gen. Chang Fah Kwai (張發奎), Commander of the Bandit Suppression Troops at the border of Fokien, Kiangsi, Anhui and Chekiang Provinces. With the approval of Gen. Chiang Kai Shek, the Kuomintang representatives eventually accepted these conditions.

It is reported that Gen. Chien Dah Chun (陳大春) and Mr. Chang Chung (張忠), a member of the C.E.C. of the Kuomintang, were amongst the representatives of the Kuomintang while Gen. Yih Kien Ying, one of the prominent red army commanders, Mr. Chiang Ching Kuo and several others represented the Communist Party at the above conferences.

The two parties are at present discussing the problem of the attendance of communist delegates at the next National People's Congress to be held on November 12, 1937. No decision has yet been reached in connection with the matter.

Lias Chang
Clerk

D.C. (Special Branch).

Copy sent to H.

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SHANGHAI MUNICIPAL POLICE.

File No.

S.1, Special Branch, 22 June 1937

REPORT

Date June 23, 1937.

Subject Alleged visit of Chinese Communist leader in Shanghai.

Made by D.S. Kamashita

Forwarded by

Mr. Service

With reference to the attached translations from the "Diamond", a Chinese newspaper in its issue of June 18, and the Nippo, a Japanese newspaper in its issue of June 22, 1937, regarding the visit to Shanghai of Chow Ung Lai (周 恩 来), a Chinese communist leader: I have to state that the origin of the information is unknown. However, the information is reported by the Japanese paper mentioned above to have emanated from Chinese quarters. Judging from the fact that the information regarding Chow Ung Lai's visit to Shanghai appeared in the three local Japanese newspapers on the same day, it would appear that the information emanated from the same source and was published without confirmation.

The local Japanese Consular Police were visited regarding this matter when the undersigned was informed that the Japanese authorities had also received information that the communist leader was in Shanghai. However, the Japanese Authorities are in possession of other information from a different source that Chow Ung Lai is in Lushan. The Japanese Consular Police state that so far they have received no ~~credible~~ ^{reliable} information regarding the whereabouts of Chow Ung Lai, but in view of the present conciliatory attitude of the Kuomintang toward the Chinese Communist Party, it may be taken for granted that it would not be impossible for Chow Ung Lai to pay a secret and undetected visit to Shanghai.

Inquiries are being pursued.

Also by Chinese staff.



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DBR

D. S. Kamashita

D. S.

D.C. (Special Branch)

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23/6

2-16

MEMO

CHINESE STUDENTS ACTIVE TO REORGANIZE COMMUNIST PARTY

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MB
Since the arrival of the communist leader, Chow Ung-lai, in Shanghai Chinese communists are active towards re-establishing the communist party. The communist organizers, who have received a secret order from Chow Ung-lai to re-organize the communist party, are active among the students' national salvation associations of various universities.

About a week ago the United University Students' National Salvation Association held a meeting of representatives of various students' national salvation associations at a certain Peiping restaurant on Foochow Road and discussed ways and means for future propaganda. The following resolutions were passed:-

1. That the movement for the release of the seven arrested popular front leaders be accelerated.
2. That the regulations governing the elections of

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June 18, 1937.

Afternoon Translation

The Diamond (金剛鑽) :-

REPORT OF CHINESE COMMUNIST STAYING AT BURLINGTON HOTEL
FOUND UNTRUE

Yesterday the "Shanghai Mainichi", a local Japanese daily, published a report stating that Chow Ung-lai (周 恩来), a prominent member of the Chinese Communist Party, had arrived in Shanghai and was staying at the Burlington Hotel, Bubbling Well Road. The report added that Chow Ung-lai would leave Shanghai for abroad in company with General Yang Hu-cheng (楊 虎城) on s.s. "President Hoover" on June 29.

Acting on information contained in the above report, a number of newspaper reporters called at the Burlington Hotel to seek news but they could not locate Chow Ung-lai. Subsequent enquiries made at the local residence of General Yang Hu-cheng and other quarters also failed to confirm the information. After some study, the reporters realized that the report published in the Japanese newspaper was entirely a fabrication.

*A.S. Kameashita
verify please
Lef 1/16*

Japanese Report Noted Communist, Chou En-lai, On Stealthy Visit Here

Red Chieftain Declared Here To Negotiate With
Kuomintang Leaders For Delegates At
National Assembly Gathering

EXTRAORDINARY PRECAUTIONS TAKEN TO AVOID FASCIST ATTEMPT ON LIFE

Chou En-lai, the Communist leader for whose head General Chiang Kai-shek once offered \$100,000, was reported yesterday by all three local Japanese newspapers to be in town.

The Vice-Chairman of the Revolutionary Military Council arrived in Shanghai "two or three days ago," these dailies said. He was stated to be a guest at the Burlington Hotel, Bubbling Well Road.

Surmises on the purpose on Mr. Chou's visit varied according to the newspapers.

The Shanghai "Mainichi" said the Red chieftain was here to continue negotiations with Nanking leaders on three points. These were given as:

- 1.—The appointment of eight Communist delegates to the National Assembly.
- 2.—The contents of a draft resolution to be jointly adopted by the various factions at the Assembly.
- 3.—The adoption of measures to pacify Mohammedan tribes in Sinkiang now engaged in a revolt against Soviet-backed administrators.

Visit At Kuling

Before coming here, the "Mainichi" further stated, he visited General Chiang at Kuling and also stayed for a while in Nanking. This is his second sojourn in Shanghai, the Japanese daily asserted. On the

previous trip, earlier this month, he conferred with Mr. T. V. Soong, chairman of the board of directors of the Bank of China and one of the two principal negotiators in the release of General Chiang in Sian in December last year; General Yang Hu-chen, leading figure in the revolt who is now preparing to take a trip abroad, and others, the paper said.

The Shanghai "Nippo" and the Shanghai "Nichi-Nichi" linked Mr. Chou's visit to an attempt to rebuild the Chinese Communist Party.

Mr. Chou, the two dailies said in similar reports, was given a sum of money by General Chiang to proceed abroad in company with General Yang.

"He apparently has no intention of doing so," the "Nichi-Nichi" said. Another rumour, reported by the two dailies, was that he would proceed to Sinkiang by air "accompanied by a well-known newspaper editor."

Fears Fascist Attempts

"Because of the fear of a Fascist attempt upon his life," the Shanghai "Nichi-Nichi" added, "Mr. Chou is registered under an assumed name and extraordinary precautions are being taken to safeguard his safety."

This is the second prominent Chinese Soviet official reported by the Japanese press to have visited Shanghai recently.

On June 5, the Japanese papers said that Chu Teh, chairman of the Revolutionary Military Council, had been a house guest at the home of General Chiang Kai-shek in the French Concession from May 26 to 31, when he had flown back to Sian.

These reports lacked confirmation. Mr. Chou, who was active in Shanghai during the Nationalist advance from Canton, studied in Japan and in Europe. He is credited with having organized the Chinese Communist League in Paris in 1920. When the Comintern, controlled by General Chiang, broke with the Communists in 1927, Mr. Chou joined Chu Teh and others to organize the Chinese Soviets in Kiangsu, where he became a commander in 1928.

*Chou En-lai
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June 26, 1937

THE CHINA WEEKLY REVIEW

Communist Leader Arrives in Shanghai to Re-establish Party

The Shanghai Nippo June 22 stated that since the secret penetration into Shanghai of Chow En-lai, noted Communist chief, the movement for the reestablishment of the Chinese Communist Party has been tacitly expanded. Upon the secret instructions given by Chow En-lai, his followers allegedly commenced their activities in the establishment of the branch headquarters of the Chinese Communist Party in various local universities and colleges in collaboration with the United Student National Salvation Associations in these different educational institutions. About a week ago, Mr. Chow had a conference with representatives of the national salvation associations of the students in a Peking restaurant on Poochow Road, at which a decision was reached, among others, to demand the revision of the regulations governing the election of representatives to the National People's Congress.

GEN. CHIANG'S SON AND CHOW EN-LAI ALLEGEDLY CONFERRING ON REBUILDING OF RED PARTY

Chiang Ching-kuo, son of General Chiang Kai-shek, who recently returned from a period of study in Russia, is conferring with Chow En-lai, vice-chairman of the Revolutionary Military Council of the Chinese Soviet, regarding means to rebuild a legalised Chinese Communist Party, according to a report published in the Shanghai Mainichi, June 17. The reorganized Communist party, the Mainichi said, would be radically different from that which created the Chinese Soviet Government in Juikin, Kiangsi, and would abandon the tenets that it advertised previous to the Sian coup of Dec. 12 last year. "Gen. Chiang feels," the paper continued, "that so long as the Communist party intends to go along with the Kuomintang in creating a new nation, there are no grounds for opposition."



Chow En-lai

"He appears to be of the opinion that two great parties can exist side by side in the manner followed by other democratic nations," the Japanese daily asserted. Chow, who was said to have flown to Kuling in company with "another Communist," is endeavoring to rebuild the Communist party so that it would not have to bow to the dictates of the Kuomintang at the National People's Congress on Nov. 12 this year, according to the Mainichi. Unless they regain their strength by then, the paper pointed out, the Reds would be heavily outnumbered by the Nationalists. Other subjects being discussed between Chow and the Generalissimo, the journal added, included the selection of Communist delegates to Congress, the adoption of a joint resolution by all factions and the pacification of revolting Mohammedans in Sinkiang.

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NIPPO

CHINESE STUDENTS ACTIVE TO REORGANIZE COMMUNIST PARTY

Since the arrival of the communist leader, Chow Ung-lai, in Shanghai Chinese communists are active towards re-establishing the communist party. The communist organizers, who have received a secret order from Chow Ung-lai to re-organize the communist party, are active among the students' national salvation associations of various universities.

About a week ago the United University Students' National Salvation Association held a meeting of representatives of various students' national salvation associations at a certain Peiping restaurant on Foochow Road and discussed ways and means for future propaganda. The following resolutions were passed:-

1. That the movement for the release of the seven arrested popular front leaders be accelerated.
2. That the regulations governing the elections of

representatives to the National Assembly be revised and that students be given the right of voting.

It is noteworthy that a large number of girl students attended the meeting.

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Oct 15th

WIPPO 6.6.77

COMMUNIST LEADER MEETS MADAME CHIANG KAI-SHEK
IN SHANGHAI

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It is reported that Chu Teh, Chairman of the Red Army Affairs Committee, arrived in Shanghai on Wednesday last and held a conference with Madame Chiang Kai-shek at the latter's home. During the conference he informed Madame Chiang of the Red Army situation and the result of the co-operation between the National Government and the Communist Party. It is said that there are 100,000 Red soldiers in Shensi, Kansu, Hunan and Szechuen Provinces. Chu Teh left again for Sian on Saturday.

The C.C. Corps at Sian murdered two body guards of Chow Ung-lai during an attempt on the life of the latter. For this reason, the Nanking Government is perturbed about the activities of the C. G. Corps.

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SHANGHAI MUNICIPAL POLICE.

File No. 7794

S.1, Special Branch. ~~Section~~

REPORT

Date May 4, 1937.

Subject. The Communist Party and the Red Armies - General situation.

Made by Clerk Liao Chung Chien Forwarded by DBR 101

Following their expulsion from the Central Provinces of China the Chinese red armies moved up into the West and North-west where the barren and inaccessible nature of the country curtailed their food and ammunition supplies, thus considerably weakening the morale of the forces.

Soviet Russia, seeking to strengthen her position in relation to China and at the same time watchful of Japan's increasing influence in the Far East, made a proposal to General Chiang Kai Shek suggesting that Russia would assist China in her efforts to organize a strong Central Government if China, for her part, would incorporate the Chinese Communist Party with the Kuomintang.

In spite of the efforts of Marshal Chang Hsueh Liang, whose troops were in close proximity to and friendly with the Red armies, to persuade him to accept this proposal, General Chiang refused and continued with his bandit suppression campaign.

With the occurrence of the Sian incident, however, a change in the situation took place and General Chiang promised his kidnappers that he would reconsider the question pertaining to the Red armies and endeavour to arrange an amicable settlement.

On April 3, 1937, it is reported, Chow Ung Lai, Secretary of the Chinese Communist Party, accompanied by Chang T'song (張冲), a member of the C.E.C. of the Kuomintang and a follower of General Feng Yu Hsiang, a sympathiser of the Communist Party, arrived at Fenghwa and conferred with General Chiang. The dispute between the Kuomintang and the Communist Party was discussed and an agreement containing the following



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terms was reached:-

1. That the Communist Party abandon its efforts at the dissemination of propaganda.
2. That the Chinese Soviet Government be abolished.
3. That the Red Armies be re-organized and formed into ten divisions; that they be considered as a part of the regular Government army.
4. That the Red Armies when re-organized be stationed in their former districts and that ten divisional commanders be appointed by the National Government.
5. That if the occasion arose the Government should be prepared to resist Japan.
6. That political rights should not be reserved exclusively for Kuomintang members.
7. That a democratic Government be established.
8. That Chu Teh and Mao Shih Tung, the two prominent commanders of the Red Armies, be sent to Moscow on the completion of the reorganization of the Red Armies.

It is further reported that Chow Ung Lai accompanied by seven others including the undermentioned, recently left for Moscow:-

1. Sung Ming Kiu (宋明秋), age 31, a native of Fengtien. Chief of Chang Hsueh Liang's bodyguards and a ringleader in the kidnapping of General Chiang.
2. Miao Chien Chiu (苗建秋), age 36, a native of one of the North Eastern provinces; a prominent member of the C.Y. Clique of the Chinese Communist Party.

As far as the recent labour trouble in Shanghai is concerned there seems little reason to believe that the

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Communist Party is to blame; it is possible, however, that certain members of the Party, knowing that a compromise had been reached between the Communist Party and the Kuomintang and with a desire to bring themselves into a prominent position, may have attempted to instigate certain of the strikes.

Recent strikes in Shanghai may be attributed in a great degree to both of the following reasons:-

1. General increase in the cost of living.
2. Workers emboldened by the knowledge that the Kuomintang is making every effort to win the support of the labour classes in Shanghai, strike with the assurance of support, either open or otherwise, of the Government.

Lies Chung Chen
Clerk

D.C. (Special Branch).

no evidence of this however.
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SHANGHAI MUNICIPAL POLICE

File No.

CONFIDENTIAL REPORT

S.1, Special Branch. 7794, 3 37

Date March 12, 1937.

Subject Problem of Reconciliation between the National Government and the Chinese Soviet Republic.

Made by D.I. Kuh Pao Hwa

Forwarded by

J. Byrne D. S. J.

In compliance with the instructions of the D.C. (Special Branch) on the attached report, I have to state that further enquiries have been made regarding the problem of reconciliation between the Chinese Republic Special Area Government (until recently known as the Chinese Soviet Republic) and the National Government, and the following is a resume of the circumstances surrounding the proposed amalgamation of these two bodies:

The proposed reconciliation was initiated in February 1936 when the Chinese Communist Party distributed a circular letter to political parties, military units and the masses throughout the country urging all parties to unite against Japan. Simultaneously, another circular letter was addressed by the Chinese Red Army to commanders of the various Government military units, including Gen. Chiang Kai Shek, suggesting that a conference of Government and Communist Militarists be convened to discuss the formation of an anti-Japanese army, comprised of Government and Communist soldiers.

In pursuance of its new policy of effecting a cessation of civil strife and of forming an "Anti-Japanese United Front", the Chinese Communist Party expressed its willingness to abolish the Chinese Soviet Republic and to place the Red Army under the control of a Military Affairs Commission in which the Communists would be given proportionate representation. The Government authorities, however, doubted the sincerity of the Chinese Communist Party and consequently paid no heed to the proposal.

Following the failure of this attempt at rapprochement, the Chinese Communist Party, reverting to ~~their~~ basic principle of racial revolution, moved for a reconciliation with the



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North-Eastern troops and Gen. Yang Hu Cheng's army in the North-West. It is claimed by the Communist Party that this reconciliation has met with unqualified success, but it is generally thought that this success is only evident among the lower ranks of the two armies mentioned.

During the month of November 1936, Gen. Chiang Kai Shek tried to bring pressure on the military units in Shensi to extend their anti-bandit campaign, but the latter, in view of their partial reconciliation with the Communist Party, were unwilling to renew hostilities with the Reds. This refusal resulted in the Young Marshal's invitation to Gen. Chiang Kai Shek to give an instructive lecture to the former's troops at Sian. The Generalissimo accepted the invitation and, despite the negative advice of his loyal subordinates, proceeded to the Shensi capital, where the young officers of the aforementioned armies brought about the Sian Coup d'etat which resulted in the detention of Gen. Chiang and a number of prominent Government officials.

There are indications that during the negotiations which followed, the eight demands submitted by the mutineers for the release of the Generalissimo and his entourage, were accepted and endorsed by Mr. T.V. Soong, but with the refusal of the Nanking authorities to countenance acceptance of these demands, the general situation at once assumed a more serious aspect and hostilities between the two parties seemed imminent. The peace-loving faction of the Nanking Government, however, succeeded in checking the hasty decision of the Government radicals and the release of the Generalissimo was obtained after further negotiations.

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At this junction, preparations were in progress for the convention of the Kuomintang Third Plenary Session. Although the proposed rapprochement with the Chinese Communist Party moved by Madame Sun Yat Sen and seconded by 13 other prominent government officials was not discussed by the congress, a compromise was vaguely hinted at in a manifesto drafted by Mr. Wang Ching Wei and issued on the termination of the Session. It is believed that henceforth the Nanking Government will evince a more moderate attitude towards its opponents.

Mr. Chang Chung, a member of the C.E.C. of the Kuomintang, was detailed sometime ago to open negotiations at Sian with representatives of the Chinese Communist Party on the problem of reconciliation. Discussions aiming at reaching a definite formula are now in progress, but, owing to the present serious illness of Gen. Chiang Kai Shek, an expeditious settlement of the problem appears doubtful.

Ref. Tiao-hwa

D. I.

D.C. (Special Branch).

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SHANGHAI MUNICIPAL POLICE

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File No. S. B. D. 7794

Date 10 3 37

S.1, Special Branch.

REPORT

Date March 9, 1937.

Subject: Alleged Reorganization of the Red Army by Nanking.

Made by D.I. Kuh Pao Hwa

Forwarded by J. Byrne D. S. I.

With reference to the attached newspaper report to the effect that the Chinese Communist Party in the North-West has accepted the measures drawn up by the Kuomintang Third Plenary Session, that all the Red forces be reorganized and placed under the control of the Military Affairs Commission at Nanking, that Party leaders including Gen. Chu Teh and Gen. Mao Shih Tung will voluntarily dissolve their Soviet Government and cease their Red propaganda, I have to state that this information lacks confirmation. The report probably arises out of the following circumstances:-

Prior to the convention of the Third Plenary Session, advance information was obtained by the Communist Party to the effect that the Kuomintang would move a proposition to the Congress to the effect that no rival government be allowed to exist as long as the Central Government remains in power, otherwise it would amount to an open challenge to the existence of the National Government. Being aware of what was likely to transpire, the Communist Party at about the same time as the Third Plenary Session was convened, declared that the Red Army would henceforth be known as the "Anti-Japanese Revolutionary Army" (反日本革命军), while the Soviet area would be termed the "Practical Land Test Area" (土地实验区). The change of the nomenclature of the Red Army is in accordance with the Anti-Japanese United Front Policy of the Communist Party and is intended to clearly indicate to the masses the objective of this army. The functions of the Red Army, however, still remain unchanged.

No information has yet come to hand regarding the acceptance by the Communist Party of the measures drawn up by the Third

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Plenary Session or the possible amalgamation of the two administrative bodies together with their respective auxiliaries.

Chen Tao-hua

D. I.

D.C. (Special Branch).

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Hwa Mei Wan Pao dated March 4 :-

RED ARMY TO BE REORGANIZED BY NANKING

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According to reliable information, the Communist Party in the North-West has accepted all the measures for their surrender as drawn up at the Third Plenary Session of the Kuomintang. All the Red forces under the Communist Party will be reorganized by the Central authorities and will be placed under the control of the Military Affairs Commission, while the leaders of the Communist Party like Chu Teh and Mao Tse Tung will voluntarily dissolve their Soviet Government and cease their propaganda for the Sovietization of China. After they have given up their military and political work, these leaders will be sent abroad.

It is learnt that the Communist Party has already started to make arrangements with the Central authorities to carry out the arrangements. The Central Government has already sent an important official to the North-West to handle the negotiations.

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MAINICHI 9.3.37.

CO-OPERATION BET LEAN NANKING GOVERNMENT
AND COMMUNIST PARTY

The Mainichi publishes the following leading articles:-

As a result of the Third Plenary Session the Nanking Government is reported to have decided to bring about a change of the Japanese, German and Italian Ambassadors to China as the first step to be adopted against the joint defence policy adopted by these three countries.

Japan had proposed co-operation with China against the communists for the safety of the Far East, but the Government and the people of China misunderstood Japan's motives and charged Japan with

being an aggressor. The co-operation must deal with the Chinese communist party and the red army but its motive is to put a check to the Soviet's advance and influence. Should China co-operate with the communists the anti-communist campaign will become a serious question for Japan.

The Chinese communist party may cease its anti-Chiang Kai Shek and anti-Nanking Government activities in return for Nanking's co-operation. The communist party will then play a great part in China's politics and Soviet Russia will derive much benefit because the Comintern will be pulling the strings behind the scenes. The temporary inactivity of the communists is a part of their tactics, they will never co-operate to support a government of capitalists and imperialists.

MANCHI

8-3-37

RELEASE OF CHIANG KAI SHEK EFFECTED BY COMMUNIST
LEADER

A special telegram from Nanking reports that serious attention is being paid to the activities of the red troops in Kansu and Shensi Provinces as it is likely to cause international complications between Japan, Manchukuo, China and Soviet Russia. After the Sian incident the National Government completely

ceased its anti-communist campaign. Furthermore the Kuomintang and the Communist Party are coming closer together after Nanking reached a compromise with the forces of General Chang Hsueh Liang and General Yang Hu Chung. Co-operation between the National Government and the Communist Party is approaching.

Chow Eng Lai, a leader of the Communist Party, who rendered great service in the release of General Chiang Kai Shek from Sian, negotiated with General Chiang Kai Shek at Fenghua for the unification of the Kuomintang and the Communist Party. This question was heatedly debated at the Third Plenary Session. As a result, four conditions were drawn up for co-operation between the National Government and the Communist Party. Mr. Cheng Chong, member of the C.E.C., was dispatched to Shensi to conduct the negotiations with communists. Eventually the communist party accepted the conditions and it was decided to carry out the following four measures:-

1. That the Chinese Soviet Government be cancelled; that the Nanking Government be recognized as a united government and the central authority of anti-Japanese organizations; that positive support be given to the Nanking Government.
2. That the title of red army be abolished and be put under the control of the Military Affairs Commission.
3. That all communistic propaganda and anti-Nanking Government activities be suppressed.
4. That class struggle be abandoned.

Hwa Mei Wan Pao dated March 4 :-

RED ARMY TO BE REORGANIZED BY NANKING

According to reliable information, the Communist Party in the North-West has accepted all the measures for their surrender as drawn up at the Third Plenary Session of the Kuomintang. All the Red forces under the Communist Party will be reorganized by the Central authorities and will be placed under the control of the Military Affairs Commission, while the leaders of the Communist Party like Chu Teh and Mao Tse Tung will voluntarily dissolve their Soviet Government and cease their propaganda for the Sovietization of China. After they have given up their military and political work, these leaders will be sent abroad.

It is learnt that the Communist Party has already started to make arrangements with the Central authorities to carry out the arrangements. The Central Government has already sent an important official to the North-West to handle the negotiations.

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February 24, 1937.

Afternoon Translation.

Hwa Tung Ya Pao dated February 23 (Nanking Telegram):-

THE COMMUNISTS AND THE NANKING GOVERNMENT

Following the peaceful settlement of the Shensi trouble, the red bandits, taught by their bitter experiences during the past few years and now fully realizing the favourable tendency of the people towards the National Government, are contemplating surrender to the Nanking Government. As a matter of fact, they are already contemplating disbandment. When the Third Plenary Session was in progress at Nanking, the communist bandits conducted extensive propaganda regarding their surrender to the National Government. They advocated the concentration of the whole strength of the nation for resistance against XX.

The National Government resolved to give the communists a chance for repentance. It is learned that the communist party, with a view to proving its sincerity, has announced the severance of its connection with the Third Internationale.

Feb. 22. 37.

THE THIRD PLENARY SESSION

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The Mainichi publishes the following leading article:-

94 The Third Plenary Session closed yesterday after discussing the communist problem. The important proposals submitted to the Session and the results of the discussions have not been made public.

The three proposals reported to have been submitted to the Session by Sian and the other proposals reported to have been submitted by General Feng Yu Hsiang, General Li Iieh Chun, Madame Sun Yat Sen and General Chang Chun have not been made public. The anti-Japanese proposals and the result of the pro-communist discussion are being kept secret. In the declaration issued by the Third Plenary Session no mention was made of the anti-Japanese policy, but pro-European and pro-American intentions were expressed.

Mr. Chang Chi, an elder statesman, strongly advocated a great change in China's policy towards Japan. It is said that no change will be made in the anti-communist campaign, but General Chiang Kai Shek purposely read the eight demands submitted by Sian at the Third Plenary Session and requested a discussion. Thus General Chiang Kai Shek has fulfilled his promise made at Sian, but it cannot be said that the proposal has been accepted, as General Chiang Kai Shek's anti-communist policy has been changed and the campaign has now ceased. The important business of the Session was to deal with the Sian incident, but the Sian demands have been neither accepted nor rejected. As regards anti-Japanese policy, no definite decision has been reached. All problems still remain unsolved.

February 22, 1937.

Afternoon Translation.

Crystal (晶報) publishes the following article:

NANKING GOVERNMENT AND THE COMMUNISTS

According to a person arriving here from Shensi, the Communists in Shensi and Kansu Provinces have completely come to their senses. On February 10 they informed the Third Internationale of their severance from the Communist Party.

Meanwhile, the Communists have made known in a written declaration five points, three of which are as follows:-

- 1) The Soviet organizations of Communists in the five North-west provinces, namely, Sinkiang, Kansu, Shensi, Tsinghai and Ninghsia will be abolished.
- 2) The comrades in the North-west will unanimously accept the guidance of the Chinese Kuomintang and obey the orders of the Central military authorities at Nanking.
- 3) The policy of incendiariam, massacre of people, landlords and capitalists and immorality will be abandoned.

The Communists are ready to surrender to the Nanking Government. It is understood that the Central authorities will conduct a careful study into the matter and will probably accept the Communists on certain conditions.

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Complete Recantation Of Red Tenets Asked Before Reconciliation Possible

C. E. C. Makes Known Conditions Precedent To Any Dealings By Nanking With Communist Element, Whose List Of Crimes Are Enumerated

IMPORTANT RESOLUTION PASSED AT THIRD PLENARY SESSION

NANKING, Feb. 21.—Complete recantation of Communistic doctrine and abolition of the Red Army and Government are first conditions which are held absolutely necessary for a reconciliation with the Communist-bandits, according to an important resolution passed by the sixth general meeting of the Fifth Kuomintang Central Executive Committee.

Until and unless the Communist-bandits sincerely repent their past mistakes, obey the People's Principles, abide by the nation's laws and strictly adhere to military discipline, there could be no question of the Central Government again taking them into its fold, the resolution declared.

The resolution, which was moved by the President, listed four major conditions under which the Central authorities would be prepared to

effect a reconciliation with the Red bandits who have during the last decade been such a disturbing factor in China's internal stability and peace. These four conditions are:

First, abolition of the Red Army and its incorporation into the unified command of the nation's armed forces;

Second, unification of Government power in the hands of the Central Government, and dissolution of the so-called "Chinese Soviet Republic" and other organizations detrimental to Government unity;

Third, absolute cessation of Communistic propaganda, which is diametrically opposed to the Three People's Principles; and

Fourth, stoppage of class struggle which splits society into antagonistic classes and invites mutual destruction.

History Of Communism

The resolution, which was received by the plenum with acclaim, first gives a brief account of the Communists in Chinese politics.

When Communists were individually admitted by the late Dr. Sun Yat-sen into the Kuomintang in 1924, the resolution states, promise was given that they would work for China's national revolution. Not only did they not keep their promise, but they actually worked for the undoing of the Kuomintang.

At the beginning, the Kuomintang, always tolerant and tolerant, had hoped that they would soon

would up to their mistakes and make amends for their misdeeds.

The hope of the Kuomintang, however, were doomed to disappointment. After the Nationalist Forces had taken Nanchang and Changsha in 1926, and after they had crushed their corruption in the Whan Area, the Communist elements tried to cover the law, to sweep the Kuomintang and the

Alongside with these subversive activities, the Communists propagated Red theories and worked for the downfall of the revolutionary and national reconstruction movement led by the Kuomintang. They also tried their best to hinder the eastward advance of the Nationalist Forces against Shanghai and Nanking as well as the northward march on Chengchow and Loyang.

Besides, they were also responsible for the reign of terror in Hunan and Hupeh, and caused a division between Nanking and Hankow. Because of the Communists' anti-revolutionary activities, the Northern Expedition almost came to a standstill.

Class War Incited

Later, the Communists openly organized the Chinese Red Army and demoralized the basic structure of the Kuomintang. They incited class warfare in the hope to seize governing power.

In order to consolidate the foundation of the Party, to carry the Northern Expedition to a successful conclusion and to save the people from suffering, the Kuomintang came upon a momentous decision to purge its rank and file of Communist elements.

After that, for more than 10 years, the Communists continued their propaganda among the people and created disturbances at various provinces, including Kiangsi, Kwangtung, Fukien, Chekiang, Hunan, and Szechwan.

Having the protection of the people in its main responsibility, the Central Government found it necessary to seek the annihilation of the Communist-bandits by armed forces. Again to the haven of the sword

without the Government's assistance in opposing them from their headquarters and in organizing peace and order in nations where, for the moment, there was a reign of terror and anarchy.

Since their general collapse in 1926, the Communists have been fleeing to Szechwan and the Northwest. They not only deceived the people, but also were being misled by the Communists. Since then, the Communists have been trying to cover the law, to sweep the Kuomintang and the

Echo Of Year 1931

These, the resolution points out, are facts which need no enumeration. The crowning crime of the Communist-bandits, however, was what they had done since September, 1931, when China was plunged into a grave national crisis.

Taking advantage of the Government's preoccupation with the external menace, the Communists attacked Kiangchow in Kiangsi during the Shanghai War. Later during hostilities along the Great Wall in 1933 they attacked Fuchow and menaced Nanchang. In both cases they hindered the free movement of Government troops for national defense.

Now having been driven to the Northwestern corner of the country, where livelihood is difficult and where foodstuffs are scarce, the Communist-bandits began to spread reports of their alleged willingness to surrender.

The resolution then says: With universal brotherhood at heart, the Kuomintang is not disposed to deprive any people of a chance to reform and start life anew. However, in view of their past deceit and the pitfalls which the Kuomintang had previously fallen into, it must not repeat its mistakes again.

The resolution then enumerates the four major conditions absolutely necessary before the Party will consider a reconciliation with the Reds.

The resolution in conclusion declares that no nation on earth can tolerate the existence within its territory of any organization which is detrimental to the interests of the State and the whole people, and which depends on external forces for its activities. For preservation of the last glory of the Republic and consummation of the Three People's Principles, the Red scourge must be annihilated root and branch.—Central News.

General Exodus

NANKING, Feb. 21.—A general exodus of C.E.C. members who have been gathering here to attend the Third Plenary Session of the Fifth Central Executive Committee of the Kuomintang during the past seven days, will begin immediately after its closing ceremony to-morrow morning.

Called by business, several of the members have left Nanking to-day. Among them were Mr. T. V. Soong, member of the Standing Committee of the National Economic Council, who flew to Shanghai this noon, and General Huang Shao-hung, Chairman of the Hupeh Provincial Government, who took-off by plane for Hankow this afternoon.—Central News.

Plenary Session To Adjourn

NANKING, Feb. 21.—The Third Plenary Session of the Fifth Kuomintang C. E. C., which has been in session during the past week, will formally adjourn to-morrow morning when a lengthy manifesto will be issued.

Several important changes in the personnel of the Central Party Headquarters were announced at the sixth general session this afternoon.

Mr. Chen Hung-po, former Minister of Industry, was appointed head of the People's Training Department, replacing Mr. Chen Fohai, who has indicated his resignation.

Mr. Shao Li-shan, former Minister of Education, was appointed head of the National Education Department, replacing Mr. Chen Fohai, who has indicated his resignation.

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Nanking's Possible Offer To Communist Party

Important Resolution To Be Discussed At Final
C.E.C. Meeting To-day; Outline Of Terms In
Resolution; Propaganda Must Be Ended

NANKING, Feb. 20.—The third plenary session of the Central Executive and Central Control committees decided this morning to convene a National People's congress on November 12.

A manifesto on the conference, which will be issued to-morrow, will give:

1.—A detailed explanation of the Kuomintang's foreign policy and will outline the general policy by which the Chinese government will conduct foreign relations.

2.—It will explain the purpose and functions of the National People's Congress and will express the determination of the Kuomintang to suppress the Communists in China through China's own efforts.

3.—It will stress the necessity of improving the economic conditions of the people and developing China's resources.

The proposal made by the Chinese Communist Party for co-operation with the Kuomintang and the National Government will be discussed at the concluding meeting of the conference to-morrow afternoon.

Terms To Communists

A resolution on the following lines will, it is learned, be submitted:

That the proposed co-operation of the Communists be accepted only on the following conditions:

1.—The Chinese Red Army is to be abolished, and the forces comprising it made part of the National Army under officers appointed by the military authorities.

2.—The Chinese Soviet Government is to be abolished and all organizations now under its control shall be under the authority and orders of the National Government.

3.—The Chinese Communist Party shall not spread communistic propaganda.

The resolution, which, it is predicted, will be adopted, will further provide for the continuance of the anti-Communist campaign if the conditions laid down are not accepted.—Reuter.

WOMEN PROTEST

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February 20, 1937.

Morning Translation.

Shanghai Evening News (大晚报) published the following report on February 19 :-

MADAME SUN YAT SEN SUBMITS A SUGGESTION TO THE THIRD
PLenary SESSION FOR RESISTANCE TO JAPAN

On the morning of February 18, Madame Sun Yat Sen issued from her residence in the French Concession a written statement to which was attached a suggestion that she had submitted to the Third Plenary Session of the Kuomintang at Nanking.

In this suggestion, she advocates a "united front" for the salvation of the nation. This suggestion also bears the signatures of General Feng Yu Hsiang, Mr. Sun Fo, Mr. Chang Ching Kiang, General Li Lieh Chun, General Lu Chung Lin and eight other members of the C.E.O. of the Kuomintang.

The following is the proposal submitted by Madame Sun Yat Sen to the Third Plenary Session of the Kuomintang :-

"At this time of national crisis, the eyes of the people are turned upon the Third Plenary Session. China has reached the final stage in enduring Japan's invasions and is prepared to make the last sacrifice. The provoking attitude of the Japanese has caused the anti-Japanese movement in China to become more vigorous. Japan's plot to seize North China will never be successful. The activities of the Japanese and the bandits in invading Suiyuan have failed because of the resistance put up by the Chinese soldiers. The oppression of China by Japan will also meet with failure. The determination of the Chinese people to make no further concessions to Japan and their preparations to recover lost territories are full of significance.

"It is most unfortunate that certain politicians have as yet a vague understanding of these conditions and have sacrificed China because of their fear of Japan. These politicians pay too much attention to the strength of Japan and belittle the strength of the Chinese people.

"These are the reasons why Japan can never overcome China :-

- 1) The financial power of Japan is weak; she is not in a position to maintain war for any long period of time.
- 2) The Japanese people are opposed to war and are dissatisfied with the dangerous policy adopted by their militarists.
- 3) There are defects in Japan's military plans, while her tactics are not modern.
- 4) The Chinese people are determined to offer resistance to the bitter end.

"The position of Japan in the Far East is so unsatisfactory that she cannot dispatch even 20 Divisions to fight China. Even if Japan can send 20 Divisions, it will not be sufficient, for the well-trained Chinese forces that are scattered in different parts of the country are prepared to sacrifice their lives for the nation.

CHINESE LEGAL POLICE
S. H. REGISTRY.

No. **D**

Date

"Relief should be given to the peasants. The people must be given freedom to hold meetings and to deliver speeches while political offenders should be released. Censorship of the Press must be abolished.

"The Chinese people are fully aware that the Government realizes the importance of the cessation of civil strifes for they obstruct preparations to resist foreign invasion. Unification of the country will enable the Government to form a national defence front to deal with foreign aggression. The Chinese people should fight together with those peoples who treat us on a basis of equality. Soviet Russia, Great Britain, America and France are in sympathy with China's anti-Japanese movement, therefore the Government should make good use of this".

February 19, 1937.

Afternoon Translation.

Date / /

Nippo :-

MADAME SUN YAT SEN, GENERAL FENG YU HSIANG AND OTHERS
MAKE JOINT STATEMENT AT THIRD PLENARY SESSION

Madame Sun Yat Sen, General Feng Yu Hsiang and others who strongly advocate Dr. Sun Yat Sen's Three Principles of the People and that Soviet Russia, the Chinese communist party, Chinese labourers and Chinese peasants must co-operate as one body in order to save the Chinese people from becoming slaves, have jointly issued the following statement to the Third Plenary Session:-

"China is now facing the greatest national crisis in her history. The eyes of the entire Chinese people are focussed on the Third Plenary Session which is now in session at Nanking. China has been driven to the last stand. A final sacrifice is inevitable. The anti-Japanese movement has become very strong. The Government has failed to accept the strong demand. The Chinese people who can no longer tolerate national humiliation at the hands of Japan; they will attempt to recover lost territory. The conclusion of disgraceful treaties with Japan should be opposed at any cost. It is a matter of regret that we have a number of politicians who are not able to see the true situation and who are suffering from an illness called "fear of Japan". They believe too much about Japan's strength and under-estimate too much China's strength. The Japanese people themselves are against war. The Chinese people are determined to fight to the last soldier. We are sure that victory will be ours should the Government put Dr. Sun Yat Sen's will into practice.

"The National Government should immediately improve the people's livelihood. Some improvements have been made during the past two or three years in the construction of railways and communications, but the people's livelihood has not been improved. Farmers are still suffering from feudalism and are being forced to pay heavy taxes. People living in cities are suffering from unemployment. The only solution is to observe Dr. Sun Yat Sen's will by improving agriculture and national industries.

"If the Government want to move the people it should call a general national meeting and select able men for government service without showing special favour to members of the Kuomintang. The people should be given equal suffrage. In order to encourage universal suffrage, the Government should abolish censorship of publications as soon as possible and give freedom of speech, assembly and organization and release all political prisoners.

"It is regrettable that there are still a number of persons who cannot understand that to save the country civil war must first be eliminated. It is ridiculous to say that the communists must first be destroyed before Japan can be opposed. A militaristic nationalism is invading our country, therefore our country has been devastated. We, Chinese, do not want to level our rifles at our own people. We must first raise a national defence against a foreign enemy. Our late leader Dr. Sun Yat Sen warned us not to estrange ourselves from the Powers and to secure co-operation of Powers such as Soviet Russia, the United States, Great Britain and France which treat us on an equal basis."

19.2.57

Editorial Comment

The Mainichi publishes the following leading article:-

The question of China's foreign policy was discussed by the Third Plenary Session in camera. General Uhang Chun's speech on China's foreign policy, which was delivered at the Third Plenary Session on February 17, was not made public. We are suspicious of such secrecy. Judging from our special telegram from Nanking, it is clear that China is preparing for war against Japan and that she does^{not} intend to improve Sino-Japanese relations in a peaceful manner.

The Chinese communist party shocked the Kuomintang by offering to the Third Plenary Session a proposal to cancel its plans to overthrow the National Government and to introduce reforms in Soviet Districts provided the Kuomintang adopt an anti-Japanese policy. Mr. Yu Yu Jen, Chairman of the Supervisory Yuan, is reported to have requested the Session to accept the proposal. According to certain sources of information, one Chu Yin Lai, representing the Chinese communist party, called on General Chiang Kai Shek at Penghua prior to the submission of the proposal to the Third Plenary Session and secured General Chiang Kai Shek's approval for the proposal.

On February 15 an inauguration meeting of the Various Circles United National Salvation was held. In the past, the anti-Japanese popular front was opposed

to the national salvation association, but now the two bodies are working in co-operation.

The Third Plenary Session has restored the civil rights of General Chang Hsueh Liang, the leader of the Sian incident, recognized the communist district in China, halted the anti-communist campaign under the cloak of unification and ordered the expeditionary forces to Charhar and East Hopei to suppress the local forces.

Cur. Huo Wan Pao (生活晚报) of February 18 :-

COMMUNIST PARTY'S OFFER TO THE 3RD PLenary SESSION

Owing to the bandit suppression campaign launched by the Nanking Government, the Communists in the North-West are in danger of being wiped out.

According to foreign newspapers, a telegram in the name of the Communist Party has been sent to the Third Plenary Session of the Kuomintang. It is learned that the telegram states (1) that the Communist Party is willing to give up its armed force, (2) that a reorganization of the Red Army will be agreed to, (3) that the Party will surrender to the National Government and (4) that it will submit itself to the orders of the Military Affairs Commission.

The telegram also contained two strong demands for freedom of the Press and the release of political offenders.

February 16, 1937.

2

Afternoon Translation.

Hwa Mei Wan Pac dated February 15 :-

CITIZENS FEDERATION'S TELEGRAM TO THIRD PLENARY
SESSION

On the morning of February 15, the Shanghai First Special District Citizens' Federation and its various branches sent a telegram containing the following five points to the Executive and Supervisory members of the Third Plenary Session:-

(1) It is known to all that the principal cause of our national crisis is external aggression, lack of military and political unification and weakness of the administrative bureau, as witness the recent uprising in Shensi and Kansu. The Third Plenary Session should devise ways and means to consolidate the foundation of national unification.

(2) The political tutelage by the National Government has lasted ten years. Last year the National Government proposed the holding of a National Citizens' Convention to enable the people to participate in the administration of political affairs. Owing to disturbed conditions, the proposal could not be carried out. The Third Plenary Session should fix a date for the convocation of a National Citizens' Convention so as to strengthen the foundations of our Government.

(3) The uprising in Shensi and Kansu has been settled, yet in view of the fact that the trouble had lasted for more than one month, the remnants of the bandits were able to revive their activities, thereby causing great distress to the people of the two provinces. The Third Plenary Session is, therefore, requested to devise measures for the relief of the distressed people with a view to bringing about peace and order in Shensi and Kansu.

(4) The plight of North China is becoming increasingly dangerous, while the various provinces along the coast are coveted by the aggressor. For this reason, we must strengthen our national defence to resist external invasion. The Third Plenary Session should draw up an estimate for national defence.

(5) Lastly, the Third Plenary Session is requested to accelerate economic reconstruction of the country and improve transportation with a view to improving the living conditions of the people.

The Holmes (Comment) :-

CHINESE KILLED IN MOTOR CAR ACCIDENT

According to newspaper reports, a Chinese was killed during the lunar New Year holidays by a motor car driven by a subject of a friendly nation who was not qualified to drive a car.

If the driver in this case had been a Chinese and the victim a subject of the friendly nation, most probably the residents of Shanghai would have been busily engaged in removing their homes and would not have been able to enjoy the New Year holidays.

February 14, 1937.

Morning Translation.

Lih Kuo and other local newspapers:

THE THIRD PLENARY SESSION OF THE KUOMINTANG

According to information given out by General Yang Hu, the Woosung-Shanghai Garrison Commissioner, General Chiang Kai Shek will leave for Nanking to-day or to-morrow to attend the Third Plenary Session of the Kuomintang.

General Li Tsun Jen, Pacification Commissioner for Kwangsi, will fly from Hankow to Nanking on the morning of February 15.

A telegram from Taiyuan reports that General Yen Hsi Shan will fly to Nanking to attend the Session.

General Yu Han Kou, Pacification Commissioner for Kwangtung, arrived in Shanghai on board the German liner Gneisenau at 2.30 p.m. yesterday. He was given a warm welcome by Mr. T.V. Soong, Mayor Wu Teh Chen, General Yang Hu, Dr. Wang Chung Hui, and other high government officials.

At 4 p.m. yesterday, General Yu, accompanied by Mayor Wu Teh Chen, called on General Chiang Kai Shek to whom he made a report.

General Yu will leave for Nanking by the Express to-night.

SECRET

SHANGHAI MUNICIPAL POLICE

File No. 779

S.2, Special Branch ~~Branch~~,

REPORT

Date February 25, 1937.

Subject Disagreement between members of C.E.C. during session at the
3rd Plenary Conference over policy adopted towards the Red Army.

Made by _____ and _____ Forwarded by Supt. Tan Shao-liang.

Information has been received from an authentic source to the effect that during the session of the 3rd Plenary Conference, hot argument took place between members of C.E.C. over the question of dealing with the Red Army in the South-West. A small section of the members supported by Mr. Sun Fo advocated that peace be made with the leaders of the Red Army, that the army be given a special area where they can be stationed and supplied with equipment by the Central Government in order that their services may be utilized against Japan and so that China may have a united front to deal with outside aggression.

The proposal was eventually turned down by members of the Chiang Kai Shek clique assisted by those of the Waung Ching Wei faction. General Chiang was present when the decision was made.

Since his return to China, Mr. Waung Ching Wei appears to have co-operated very harmoniously with General Chiang Kai Shek and it is largely due to this co-operation that resolutions put forward by certain opponents advocating a declaration of war in order to embarrass the Government were not given consideration.

Rumours have been current that the following changes in the Government service will soon take place:-

Dr. Wong Chung Hui as Minister of Foreign Affairs and concurrently Vice President of the Executive Yuan.

Mr. Chang Chun to be Mayor of Shanghai.

Mr. Wu Teh Chen as Civil Governor of Kwangtung.

General Chu Shao-liang as Chairman of Anhui Provincial Government.

It is reported that Mr. Chang Chun prefers to go to



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SHANGHAI MUNICIPAL POLICE.

File No.

REPORT

..... Station,

Date..... 19

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Chekiang as Civil Governor of that province.

Superintendent.

D. C. (Special Branch).

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SHANGHAI MUNICIPAL POLICE.

File No. 7791

S.2, Special Branch. Sec. 2,

REPORT

Date. February 23, 1937.

Subject. Changes in the Central Tangpu as a result of the 3rd Plenary Conference.

Made by _____ and _____ Forwarded by Supt. Tan Shao-liang.

The significant changes that have taken place in the Central Tangpu as a result of the above conference indicate that some compromise has been reached between Mr. Waung Ching Wei and Generalissimo Chiang Kai Shek.

Mr. Chen Kung Po (ex-Minister of Industry and a strong supporter of the Waung's clique) has been appointed Chief of the People's Training Department of the Central Tangpu in place of Mr. Chou Fu Hai (a member of Chiang's clique). This important change re-establishes the influence of Mr. Waung's party in certain sections of the branch Tangpus in China and will probably prove disadvantageous to the local Tangpu in connection with its control of labour organizations, especially in the settlement of labour disputes etc. and will increase the complications already existing with the Whampoa clique.

I understand that the foreign policy, especially with regard to Japan, will not be changed. War is not considered advisable unless the aggression is of such a nature that it is unbearable. Internally every effort will be made to effect a strong unification of the country. A decision has arrived at to continue the campaign against the reds.

There is another important appointment in the Central Tangpu, that ^{or} Mr. Tsao Li Ts (ex-Chairman of the Shensi Provincial Government and at one time Secretary to General Chiang Kai Shek) to the position of Chief of the People's Propaganda Department in the place of Mr. Liu Lu Yen, a leader of the South-West clique (Kwangsi clique).

Other changes in the Government service have not yet been announced.

Tan Shao-liang
Superintendent.

U.C. (Special Branch).

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SHANGHAI MUNICIPAL POLICE

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SHANGHAI

SECRET

POLICE.

File No.

S.2, Special Branch

REPORT

Date. February 19, 1937.

Subject. Reported Kwangsi demands to the 3rd Plenary Conference.

Made by and Forwarded by Supt. Tan Shao-liang.

General Chang Ting Van, ex-Mayor of Shanghai and Chief of Staff to General Pei Chung Hsi of Kwangsi, who is being paid \$1,000 per mensem by Generalissimo Chiang Kai Shek to act as mediator between Kwangsi and Nanking, has failed completely in his efforts to persuade Generals Li Chung Jen and Pei Chung Hsi to attend the 3rd Plenary Conference at Nanking.

Instead, the two Kwangsi military leaders are said to have instructed their deputy Mr. Hwang Yu Chu, the Civil Governor of Kwangsi, to present the following demands to Nanking:-

- (1) A declaration of the Government's policy towards Japan: as to whether war is to be declared or the pro-Japanese policy of making concessions is to be continued.
- (2) An explanation as to why the troops in the North, North-West and in the South are being treated differently to Nanking soldiers.

There are also demands for an explanation regarding appointments to positions in the Government being confined to men of General Chiang Kai Shek's clique.

It is also reported that the attitude of the Kwangsi leaders has the tacit support of General Yen Hsi San, General Han Fu Chu and General Sung Cheh Yuan, none of whom are attending the conference in person but have simply sent delegates.

In view of the above, there is little hope of General Chang Ting Van being appointed Mayor of Shanghai.

Great importance is being attached to the outcome of the conference in regard to diplomatic policy. The likelihood of changes being made among the pro-Japanese ministers in the present Government is being closely watched by Japanese diplomats at Nanking.

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SHANGHAI MUNICIPAL POLICE.

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Station,

Date.....19

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Meanwhile, Messrs. Wang Ching Wei and Sun Fo are busy negotiating an understanding with the Kwangsi delegates; if they succeed, they will naturally lay claim to some of the Government posts for members of their particular clique.

Taahawhau

Superintendent.

D. C. (Special Branch).

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非常時期農礦工商管理條例
Chinese title of the Regulations

非常時期評定物價及取締投機操縱辦法
Chinese title of the Measures

SHANGHAI

CONFIDENTIAL

POLICE.

File No.

S.2 Special Branch

Station, 7794

REPORT

Date May 4 19 38.

Subject: Chou Yu Hai taking over charge of Publicity Department
of Central Tangu.

Made by _____ and _____ Forwarded by Supt. Tan Shao Liang

Enquiries confirm that owing to the illness of Mr. Ku Meng Yu, the Chief of the Publicity Department of the Central Kuomintang Headquarters, Hankow, Mr. Chou Yu Hai, the Deputy Chief, has taken over this important post as from May 2.

Mr. Chou is a veteran political leader of the South attached to the clique of Mr. Waung Ching Wei and this appointment serves to indicate the close cooperation between General Chiang and Mr. Waung.

The position was hitherto held by Mr. Zau Lih Tse (an adherent of General Chiang), a man of leftist tendencies (see report re his attitude in the case of the "Voice of China")

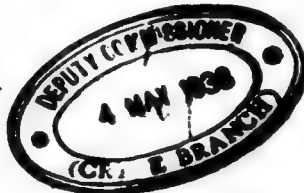
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Tan Shao Liang
Superintendent.

D. C. (Special Branch) /

P. A. H. Q. (S. Br.)

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Chou Fu-hai Assumes Office As Acting Publicity Director

HANKOW, May 3.—(Kuomintang).—Mr. Chou Fu-hai formally assumed office yesterday as Acting Director of the Central Party Publicity Department, owing to the illness of Mr. Ku Meng-yu.

Mr. Ku was recently elected Director of the Central Party Publicity Department by the 4th Plenary Session of the 5th Central Executive Committee of the Kuomintang. Messrs. Chou Fu-hai and Hollington K. Tong were elected Assistant Directors. As Mr. Ku is

unable to attend office on account of illness, Mr. Chou has been appointed Acting Director.

Interviewed, Mr. Chou said that the work of the Publicity Department will be guided by the Manifesto issued and the Outline for the Campaign of Resistance and National Reconstruction adopted by the recent Extraordinary National Congress of the Kuomintang.

Internally, the aim of the publicity work is to promote national unity, concentrate the nation's strength, and foster public confidence in the campaign of resistance, Mr. Chou added. Externally, efforts will be made to present to the world an accurate picture of the political, economic, cultural and military situation in this country.

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SHANGHAI MUNICIPAL POLICE.

File No. 115712

S. I. REGISTRY

S. I. Special Branch 115712

REPORT

Date May 3 1938

Subject: Chunking raid for "Red Books" : Kuomintang-Communist alliance.

Made by D. I. Kuo Pao-hwa

Forwarded by C. C. C. C. D. I.

With reference to the attached newspaper cutting on the above subject, I have to report that following the decision recently arrived at between the Chinese governmental officials and Communist authorities, all "Red" publications criticizing the Chinese Kuomintang and/or National Government which were published prior to the rapprochement between the two authorities in 1937, be seized and destroyed, in order to avert any possible misunderstanding among the lower ranks of the Communist fraternity. This would account for the series of raids conducted on bookstores by the Chungking gendarmes on April 21 which does not, however, tend to indicate any possible friction between the two administrative bodies, which the report would seem to convey.

Another instance which would illustrate the harmony existing between the Hankow Government and the "Red" leaders is that following the recent election of General Chiang Kai-shek as Chief Executive of the Chinese Kuomintang Party, held at Chungking in March 1938, the generalissimo suggested the appointment of General Mao Shih-tung (毛泽东), a famous "Red" commander, as his second in command of military operations which suggestion was unanimously agreed upon and adopted by the Congress.

Kuo Pao-hwa

D. I.



FILE

D. C. (Special Branch)

CHUNGKING RAID FOR "RED" BOOKS

Spread Of Red Influence
Is Said Causing
Concern

CHUNGKING, April 22.—A large party of city gendarmes, headed by a young officer, raided bookshops in Chungking yesterday, securing large hauls of new Chinese books, which they carried off in baskets. Every book store was thoroughly ransacked.

Police headquarters declined to comment on the matter to-day, stating that the action was taken on orders from "higher authority."

Inquiries in other quarters, however, revealed that the confiscated books consisted of Communist publications.

It is generally understood that the raids form part of the policy of suppression of "extremist" publications and those containing criticisms of the Chinese Government's policy.

It is reported that there has lately been considerable nervousness on the part of the Kuomintang Party at the rapid spread of Communist doctrines and influence throughout China, giving rise to fears that, at some future date, "the tail may wag the dog."

The relationship between Communists and the Central Government is reported to have been the subject of serious discussion in the recent Kuomintang Congress held at Hankow.

It is possible that the raids were one of the results of these discussions.—Reuter.

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Reds Deny Opposing Kuomintang

Pamphlet At Hankow Is
Described As Clever
Forgery

HANKOW, April 27.—A widely-circulated pamphlet entitled the "Chinese Communist Party's Policy," which alleged that the Chinese Communist Party was plotting to isolate the Kuomintang, eventually overthrow the Nationalist Government and set up a Communist State in China, was denounced as "a very clever forgery" by the Nationalist Communist leader, Mr. Chow Kai-shan, in an open letter published today in the Communist Party organ, "Hsin Hua Jih Pao."

Mr. Chow, who negotiated with General Chiang Kai-shek during the Sianfu incident for co-operation between the Communists and the Kuomintang, flatly denied the alleged attempt to undermine the Kuomintang Government.

He reiterated the Communist Party's "sincere desire to co-operate with the Kuomintang in a united front against Japanese aggression", and expressed confidence that "unity and victory for the Chinese cause will disprove the ugly rumours".—
Reuter.

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Breach Between Kuomintang and Reds is Widening

Chinese Communists Accused of Breaking Faith

PROPAGANDA INCREASE PICTURES HANKOW

Hankow, Mar. 12. Friction between the Kuomintang and the Chinese Communist Party is becoming daily more acute. The Kuomintang authorities are particularly perturbed by the large scale propaganda being conducted by the Chinese Communist Party.

For example, the circulation of "Hsin Hua Jih Pao," local official organ of the Chinese Communist Party, has reached the figure of over 50,000 copies daily. The circulation of the paper in Hankow is comparatively small but what is alarming is that agents of the Chinese Communist Party are working vigorously for circulation of this paper in all districts especially in small towns and villages.

At the same time, a number of brochures such as "Development of Mao Tse-tung," "Biography of Chu Teh," "History of the Long March of the Chinese Red Army," "The Anti-Imperialist Red Army Attack" are being sold everywhere at no more than a few cents in being asked for each copy of these.

Summary Break Possible

Kuomintang circles accuse the Chinese Communist Party of having broken faith. At first, these circles state, it was agreed that under the leadership of the Kuomintang, the Chinese Communist Party would support the present government in its resistance against Japan.

Now, they say, the Chinese Communist Party is talking about "cooperation" on an equal footing. Some Kuomintang elements even argue that unless the Chinese Communist Party accepts the leadership of the Kuomintang, General Chiang Kai-shek must use the 500,000 troops he sent his underlings in a showdown with the Communists.

In the Communist Party ranks it is reported that all is not smooth either. Chow Wen-hua, the Chinese Communist Party leader, who was highly responsible for the formation of the Red Army and for the subsequent movement between the Kuomintang and the Chinese Communist Party, will enjoy the confidence of the Chinese Communist Party leaders, is being vigorously supported in the same rank of the Chinese Communist Party as a leader. This attitude is apparently the opinion of Chou En-lai.

In his conclusion, it is interesting to note that Chou En-lai, who has been most active in Hankow, called on the official spokesman for the Chinese Communist Party, last week "Reds." It is understood that he will remain in Hankow.

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COMMUNIST FRIENDS

Reports from Hankow of increasing friction between the Kuomintang and the Chinese Communist Party only serve to illustrate how difficult it is for men of would-be moderate views to co-operate with the Red agitators. It appears that the Kuomintang authorities are seriously perturbed by the insistent large-scale propaganda being conducted by the Chinese Communist Party, and that deliberate attempts are being made to undermine the position of General Chiang Kai-shek, notwithstanding the promises given by the Communists that they would support the present Nationalist Government for the term of the war with Japan and would refrain from their peculiar propaganda. According to a Rauter message from Hankow, some Kuomintang elements even argue that unless the Chinese Communist Party accepts the leadership of the Kuomintang, General Chiang Kai-shek may have to use the half-million troops he still has under arms in a "show-down" with the Communists. It seems hardly likely, however, that it will come to that. The Communists cannot be in such force, we feel, in Central China as to challenge seriously Chiang's authority. Moreover, the situation is further complicated by the departure from Hankow of Chow En-lai, without doubt the ablest of the Red leaders in China. It is suggested that some obscure dispute between Chow En-lai and some of his own subordinates lies behind this but it is possible that he has taken umbrage at the attitude of some of the Kuomintang officials. It is understood that the Red leader has returned to Shensi where the majority of the Communist forces are now massed. Yenan, in the north of this province, is generally reputed to be the Red "capital" and there will no doubt be an attempt in that area to make a strong resistance to the Japanese troops should they elect to cross the Yellow River in the Yen-Shui area. Should Chow En-lai become involved in operations here, it is possible that Kiang will hear no more of him. The other Red leaders, however, may continue to prove rather difficult "friends" for the Chiang Kai-shek administration. It seems that taking a Communist to one's bosom is an easier matter than getting rid of him.

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THE RED LEADERS OF CHINA

Kuomintang-Communist Alliance Found Not Wholly Harmonious

HANKOW, Feb. 15.—The alliance between the Chinese Red Army (now the 3th Route Army) and the Kuomintang is by no means firmly riveted.

Many Chinese Government leaders here express the view that the Chinese Communists should not be relied upon very far.

This, of course, is due partly to the bitter social cleavage between the respective groups on which the Kuomintang and Communist power is based; but it is also a reflection of the Chinese Government's disillusionment over the prospect of effective assistance from Soviet Russia.

The well-known Red leaders, Chow En-lai and Wang Wing, who are both in Hankow at present, are openly stating that direct participation by Soviet Russia in Sino-Japanese hostilities would at this juncture "do more harm than good to China."

Participation by Russia, they argue, would cause Germany and Italy to intervene on Japan's side under the Anti-Comintern Pact.

It would also, they assert, alienate the sympathy at present shown to China by the United States and Great Britain.

The attitude of the Chinese Communist leaders is viewed with considerable misgivings here.

A few months ago there was a good deal of talk about "a movement to the Left" on the part of the Chinese Government. Much less of this is heard to-day.

REUTERS.

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Chiang Lauds Red Leaders

(United Press)

HANKOW, Feb. 10.—Generalissimo Chiang Kai-shek, through his local headquarters, today dispatched an appreciative message to Commander Chu Teh and Vice-Commander Peng Tan-huai, of the Eighth Route Army, for their military "successes" against the Japanese.

"I am extraordinarily happy that you have repeatedly inflicted heavy losses on the Japanese by ambushing them," the Generalissimo said, "and hope you will direct the various units quickly to launch attacks so as to extinguish the enemies."

Observers here regarded as significant publication of the Generalissimo's letter at this time in view of the dissension which has been reported brewing between the Communist and Kuomintang groups. They recalled that only yesterday, Commander Chu Teh launched the first Communist counterblast against recently expressed Kuomintang aspirations for dictatorial rule under the Nationalist Party.

Chinese unofficial sources were of the opinion that the Generalissimo would bring all pressure to bear upon the two political groups in order to achieve a "united front" against Japan.

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Naturally it is difficult in such trying times to forecast the future of the Republicans and the Conservatives. But it seems likely to say that the Liberal and those trying the prospects of Social-Democratic measures, the right wing of the Conservatives may be in the minority. There will be a possibility, too, though, that the Social-Democrats will be the majority, and that the Conservatives will be the minority. It is difficult to say. But it is likely that the Social-Democrats will be the majority, and that the Conservatives will be the minority.

SECRET

SHANGHAI MUNICIPAL POLICE.

File No. 7794

S.2 Special Branch

REPORT

Date March 30 1936.

Subject: Reorganisation of the Central Kuomintang Headquarters.

Made by: and Forwarded by: Supt. Tan Shao Liang

Referring to the reports dated March 1 and January 28, on the subject of opposition by the C.C. Clique of the Central Kuomintang Headquarters (the highest political organisation in Hankow) to the admission of communists in government service, information has been received that Generalissimo Chiang Kai Shek, in order to ensure closer cooperation with the communists, has ordered a re-organization of the Central Kuomintang Headquarters. As a result of these measures, Mr. Chen Li-fu (陳立夫), the influential leader of the C.C. faction, has been removed from his positions as member of the National Council and Chief of the organisation department of the Central Kuomintang and transferred to Chungking as Minister of Education. Mr. Hsu En Tseng (徐恩曾), the Deputy Chief of the Organisation Department of the Central Tangpu, has also resigned and has been replaced by Mr. Wu Kai-Sien (吳凱先), the former chief of the Shanghai Tangpu.

As already reported the organisation department of the Central Tangpu under Mr. Chen Li-fu and Mr. Hsu En Tseng has, since 1927, been very active in the campaign against communists in various parts of China and their agents in Shanghai encountered many difficulties in making arrests, several having met deaths whilst in the execution of duty. The removal of Messrs Chen and Hsu from their present positions is a new development in the political situation which tends to show the sincere desire of Generalissimo Chiang Kai Shek to cooperate with the Communist Party. There are, however, no indications that Generalissimo Chiang has given up his interest in the Organization Department of the Central Kuomintang because Mr. Wu Kai Sien is known as his very loyal supporter but is more moderate and diplomatic towards his political opponents.

C.P. (C) D.C.

SHANGHAI MUNICIPAL POLICE
10 MAR 1936
S.2 SPECIAL BRANCH

FILE
11/3

SHANGHAI MUNICIPAL POLICE.

File No.....

REPORT

Station,

Date.....19

-2-

Subject.....

Made by.....Forwarded by.....

It is significant that Mr. Chao Lih Tsz (趙力子), Chief of the Central Propaganda Department of the Central Tangpu, remains in his position as he is very close to the leftist elements and at one time he gave permission for the publication of the "Voice of China".

It is also interesting to note that the re-organization of the Central Tangpu was decided at a conference presided over by Generalissimo Chiang Kai Shek and at which the noted communist leader Chow En Lai was also present.

The news was not received with surprise here.

The stubborn attitude displayed by Chen Li-fu and his adherents during recent years has not only displeased the rival party of the Kuomintang (the Fascists or the Blue Shirts) but has aroused strong opposition from the Soong family (including Dr. and Mrs. H.H. Kung, Mrs. Chiang and Mr. T.V. Soong) whom the C.C. Party strongly attacked in connection with speculations in cotton and debentures.

Copy to E. S. R.

Tan Shao-han

F. A. G. D. C. (Sp. Br.)

Superintendent.

D. C. (Special Branch)

SECRET

SHANGHAI MUNICIPAL POLICE.

File No. 11 REGISTRY
No. S. B. D. 222

S.2 Special Branch Section

REPORT

Date March 2 1938

Subject: Activities of Tangpu members, Blue Shirts Party and Communists.

Made by _____ and _____ Forwarded by Supt. Tan Shao Liang

Further to report dated January 28, there has been up to present no open conflict between the communists and the C.C. (Central Club) Clique of the Kuomintang.

At Hankow the Field Headquarters have repeatedly issued orders praising the successes attained by the 8th Route (Communist) Army, and the Central Kuomintang, it would appear, has exercised great care to keep their members under control and warned them that the present circumstances leave no room for internal quarrels. The cooperation between the Kuomintang and communists is more strengthened by the appointment of General Yih Chung Ying (葉劍英), Chief of Staff to the 8th Route Army, to Canton to train recruits.

As to local conditions, the Blue Shirts have, since the commencement of hostilities confined their activities to the organisation of mobile units and being thus engaged they have not come into conflict with the Kuomintang Party over the control of labourers. Leading figures in the latter organisation have nearly all departed for Hongkong or Hankow leaving behind a few unimportant members of the General Labour Union, some of whom are postal employees. These have not shown any desire to meddle with labour matters openly although they will not be slow to resume such activities if the war situation turns favourable to China.

It is reported that certain ex-members of the Social Bureau and Tangpu have been engaged in refugee relief work and certain ex-members of the Education Bureau are conducting schools so as to earn a living. When the time comes the same control and propaganda activities will undoubtedly be revived.

D.C. (Special Branch)

Superintendent.

S. 2/3
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See 2 pages
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C.P.

SHANGHAI MUNICIPAL POLICE
- 1 MAR 1938
SPECIAL BRANCH

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SHANGHAI MUNICIPAL POLICE

File No. 7794

CONFIDENTIAL

REPORT

Station,

Date January 25 1938.

Subject..... The C.C. (Central Club) of the Central Kuomintang and the
Communist Party.

Made by..... and Forwarded by..... Supt. Tan Shao Liang

With reference to the report in the "Ostasiatischer Lloyd" dated January 25, 1938, enquiries have been made amongst ex-government officials and no confirmation can so far be obtained locally re the alleged raid on a communist newspaper and the arrests made in connection therewith.

The Sin Hwa Daily News, the only Chinese Communist publication in Hankow, appears to be still in operation.

The cause of the fire in the Soviet Consulate still remains a mystery although the Chinese Authorities gave out that the outbreak may have been caused by an explosion of the stove or boiler.

As regards the growth of opposition to the leftist circles reported in the last paragraph, it will appear that amongst the several cliques operating in the Central Kuomintang, the highest political organization in Hankow, two most influential factions may be worth mentioning. These are rivals but have the same object of pledging their loyalty to Generalissimo Chiang Kai Shek. One of these is the C.C. Party organized by Messrs. Chen Li Fu and Chen Ko Fu and the other is the Blue Shirts Society run by General Tai Lih. The former is backed up by Kuomintang members holding civil positions throughout the country whilst the latter receives the support of the Whampoa students especially those connected with the Military Affairs Commission. (The terrorist gang in Shanghai is reported to be a branch of the Blue Shirts). Since 1927, the C.C. Party has been responsible for the arrest of numerous communists and their agents in Shanghai have been assassinated on several occasions when carrying out their duties.

Although a change in this attitude has been brought

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SHANGHAI MUNICIPAL POLICE
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28 JAN 1938
SPECIAL BRANCH

SHANGHAI MUNICIPAL POLICE.

File No.....

REPORT

Station,

Date.....19

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Subject.....

Made by..... Forwarded by.....

about by the admission of communists in the Kuomintang and in the army as a result of the Sino-Japanese hostilities, members of the C.C. Party are said to be still opposed to leftist and always to be alert against the spread of communism amongst their followers who are composed of labourers.

Unlike the C.C. Party the Blue Shirts have comparatively little interest in the labourers, their past efforts especially in Shanghai to obtain sympathy from the working masses having proved fruitless. Consequently the Blue Shirts are reported to be on more favourable terms with the Communist Party.

No information has however been received here re an open conflict between the Communist Party and the C.C. Party of the Central Kuomintang.

Tan...
Superintendent.

D. C. (Special Branch)

Copy to E.

REC-5
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Translation of extracts from the local German newspaper
"OSTASIATISCHER LLOYD", dated Jan. 25, 1938.

The following announcement appeared on the front page of the Tuesday issue - January 25, 1938.

The representative of the German State railways - Herr S. Lahrman - informs us that the advertisement which appeared in issue No.1 of the "China Outlook" dated January 15, 1938, has been inserted without his knowledge or consent.

(From our own correspondent)

Several Chinese raids have taken place on the premises of the communist newspaper which was recently started in Hankow. The engine room and composers' room were demolished and two persons arrested.

The Soviet Consulate in Hankow in which are also housed the Soviet Embassy, was completely burned down on the very day fixed for the presentation by the newly appointed Soviet Ambassador of his credentials in Chungking. The presentation was postponed until yesterday. While the Soviet Consulate in Hankow states that the calamity was due to an accident, it is generally considered here that it was the result of incendiarism.

This latter belief is held on account of the rapidity with which the entire building was consumed by flames.

At the same time, it is pointed out that opposition to the leftist circles is growing rapidly.

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What is it all
about?
NGMA-MONIC
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JAN 30 1938
CIVIL PR

Shanghai Ningpo Daily News (上海寧波日報) :- AM 20-7-27

CHOW UNG-LAI'S STATEMENT : FORMER COMMUNIST LEADERS
TO SUPPORT THREE PRINCIPLES OF THE PEOPLE INSTEAD OF
COMMUNISM AND TO RESIST THE ENEMY UNDER LEADERSHIP OF
GENERAL CHIANG KAI-SHEK

Misunderstanding may still find room in the minds of a certain section of the public who do not comprehend the real situation following the assumption by Chu Tuh (朱德) and Bang Tuh-hwei (彭德懷) of their new posts as Commander and Deputy Commander of the 8th Route Army.

While returning from Kuling sometime ago, a reporter of this paper met and had a lengthy conversation with Chow Ung-lai (周恩來), a communist leader, aboard the s.s. "Wuhu". According to a statement by him, they have fully realized the impracticability of enforcing communism in China for the next several decades and the total collapse of the talk of class struggle when faced with a united racial front. This is because the existence of China is now at stake. With ten years' bitter experience, they fully comprehend that only the Three Principles of the People can save China and that the present national crisis can only be averted under the leadership of General Chiang Kai-shek. For this reason, they are now willing to renounce their former creed and believe in the Three Principles of the People and will undertake the work of resisting the enemy and saving the nation under the guidance of General Chiang Kai-shek. Chow Ung-lai added that they would soon issue a statement to express their stand.

According to information gathered by this paper, the National Government has almost completed its bandit suppression work. The men under Chu Tuh and others who have long ago surrendered to the National Government have been reorganized. The National Government and General Chiang Kai-shek will not waver in their spirit for the extermination of communism and even Chow Ung-lai himself has mentioned that he will give up the communist propaganda work. However, the Japanese foes, seeing the consolidation of the Chinese front, are fabricating rumours and making mischief with the object of causing dissension. They are even accusing the Sino-Soviet Non-Aggression Pact, an ordinary expression of peace and friendship between nations, as a bolshevik alliance. Such sheep fabrication and false accusation will surely not gain any credence from the thinking public.

September 23, 1937.

Morning Translation

Shun Pao and other local newspapers (telegram from Fushih, North Shansi) :-

MANIFESTO ISSUED BY THE CHINESE COMMUNIST PARTY

The Chinese Communist Party issued the following manifesto on September 22 :-

"Dear fellow-countrymen! With due sincerity the Central Executive Committee of the Chinese Communist Party declares before the people throughout the country that at this time when the very existence of our nation is at stake, we have reached an understanding with the Chinese Kuomintang and decided to take up the duty of aversion of the national crisis. It is known to everyone of us that unless our people are united, we shall not be able to defeat the aggression of the Japanese Imperialists. The founding of the unity of our people will mark the future of our independence and emancipation. However, we must bear in mind that in order to realise our hopes of a bright future as an independent, free and happy New China, it is essential that every warm blooded citizen of China should strive hard with perseverance.

"It is the desire of the Central Executive Committee of the Chinese Communist Party to avail itself of this opportunity to suggest the following general points for our struggle :-

"(1) In order to secure the independence, freedom and emancipation of our nation, it is of primary importance that we should definitely and immediately prepare and start a revolutionary war of resistance for the recovery of all our lost territory and sovereign rights.

"(2) We must bring about a democratic rule and convoke a National Conference for the purpose of regulating the Constitution and defining a policy for the salvation of the nation.

"(3) To bring happiness to the people, it is necessary to extend relief to famine sufferers, improve the living conditions of the people, develop finances for national defence and ameliorate the sufferings of the people.

"The above points are urgently needed in China and are the sole aim of our struggle. We are confident that they will be warmly welcomed and supported by the people. It is the wish of the Central Executive Committee of the Chinese Communist Party to exert its utmost hand in hand with the entire body of the people towards these general ideals. The Central Executive Committee of the Chinese Communist Party is fully aware that in proceeding with the task of attaining this glorious aim it has to overcome many obstacles and difficulties and it will first of all meet with the hindrance and destruction of the Japanese Imperialists. With a view to eliminating any pretexts that may be used by the enemy to further their intrigues, and to removing all doubts and misunderstandings, it is deemed necessary by the Central Executive Committee of the Chinese Communist Party to clarify its whole-heartedness in the work for the emancipation of China, and for this reason the Committee hereunder pledges before the people throughout the country:-

4

September 23, 1937.

Morning Translation.

"(1) That this Party will exert its utmost to bring about a concrete realization of the Three Principles of the late Dr. Sun Yat-sen, which constitute the most essential elements of China to-day.

"(2) That all reactionary policies and communist movements that tend to overthrow the political power of the Chinese Kuomintang Party will be suppressed and that the high handed policy of confiscation of land from landowners will be stopped.

"(3) That the present form of Soviet Government will be abolished so as to introduce a democratic form of government as a means to bring about the realization of the unification of the political administration of the country.

"(4) That the Red Army and its colours will be abolished and reorganized as the Nationalist Army to be under the control of the Military Affairs Commission of the National Government for mobilization to bear the brunt of the present war of resistance against the enemy.

"Dear Fellow countrymen! The impartial, frank, unselfish and conciliatory attitude of this Party has already been made manifest to the eyes of the entire nation by means of its utterances and movements, and must have already been favourably approved by the public. Now with a view to bringing about a wholehearted co-operation with the Chinese Kuomintang Party as a means to strengthen the peaceful unification of the country as well as to carry out a sacred war of national revolution, we are prepared to carry out immediately our promises which have so far not yet been materialized, such as the abolition of the Soviet form of government, the reorganization of the Red Army, etc., so as to facilitate the unification of the entire national strength as a means of resistance against an aggression by a strong enemy.

"In view of the strong infiltration of the enemy and the gravity of the crisis, we have to urge the 400,000,000 of our fellow countrymen to unite themselves on a more friendly basis. The Chinese, being a great and an old nation, will remain unconquerable. Let us be united for the sake of national consolidation and fight to overthrow the Japanese Imperialists and their oppression! Victory will unquestionably belong to us, the Chinese Race! Long live our war of resistance against Japan! Long live the new China of independence and freedom!"

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Min Pao and other local newspapers (Sian telegram) :- A.M. 11-9-37

**COMMUNIST LEADERS PLEDGE SUPPORT TO GOVERNMENT AFTER FORMATION
OF 8TH ROUTE ARMY**

Chu Teh and Bang Tuh-hwei have been appointed Commander and Deputy Commander respectively of the 8th Route Army and have issued the following circular telegram to the nation upon their assumption of the new army posts :-

"The Chinese nation is at present facing her most critical stage as a result of aggression and invasion by the Japanese bandits. Our armies have petitioned the National Government to make use of their services in resistance against the enemy. This is a task that we should not hesitate to take up. Fortunately due to the nation's stubborn determination for a war of resistance that makes the country entirely united in one consolidated mass, we were appointed on August 22 by order of General Chiang Kai-shek, Chairman of the Military Affairs Commission of the National Government, Commander and Deputy Commander respectively of the Nationalist 8th Route Army. Consequently, the Red Armies have been reorganized into the 8th Route Army and we have since assumed our new military posts. This organization having now been completed, we have left eastward to fight the enemy. We pledge our unwavering support to General Chiang Kai-shek and will follow the footsteps of the other national armies in sacrificing our lives on the battlefield, with the determination of resisting the enemy to the bitter end as a means to regain our lost territories as well as to struggle for the independence and liberty of the nation."

The Diamond (金剛鑽) dated July 28:

COMMUNIST LEADERS ABANDON THEIR POLICY

Painfully aware of their past mistakes, Chu Teh and Mao Shih-tung, notorious Communist leaders, have now given up their Communist theories in favour of the Three Principles of the People. They issued a mimeographed pamphlet recently giving reasons for the change in their attitude.

It is believed in political circles that Chu Teh and Mao Shih-tung have come to the conclusion that to follow the leadership of General Chiang Kai-shek is the only way to save the nation under the present circumstances.

July 15, 1937.

-2-

MAINICHI

CHINESE BROADCASTING STATION DISTRIBUTING
PROPAGANDA

A Domei telegram from Tokyo dated July 14 reports that the Chinese A.K. broadcasting station is engaged in broadcasting fabricated reports on the northern situation in Japanese, English, German and French.

AMBASSADOR KAWAGOE ISSUES STATEMENT

A Domei telegram from Tientsin dated July 14 reports that Ambassador Kawagoe has issued the following statement:-

"The future situation depends upon the observance of the agreement by the 29th Army. Japan is adopting a generous attitude, endeavouring to prevent the situation from becoming graver, but there is a limit even to generosity. The present movement of the Central Army must be considered separately from the present situation because the latter was caused by the 29th Army. I may remain in Tientsin for three or four days. I am not informed that Nanking is desirous of my early return. To-day I shall call on the Commander-in-Chief, General Katsuki. No important officers of the Hopei-Charhar Political Council have asked for an interview and I have not considered one."

RED LEADERS PLEDGE SUPPORT TO GENERAL CHIANG
KAI-SHEK

A Domei telegram from Nanking reports that on July 13 Chou Teh and Mau Shih-tung, Red leaders, sent a telegram to General Chiang Kai-shek informing him that they were ready to fight Japan at the order of the Central Government. Sending a telegram of thanks, General Chiang Kai-shek informed them that he would ask for their co-operation if the time came.

WAPPO

COMMUNIST LEADER ATTENDS LUZHAN CONFERENCE

It has been ascertained that on July 11 upon receiving an invitation from General Chiang Kai-shek, Chou Ung-lai, communist leader, flew to Lushan and attended a conference. After the conference he flew to Shensi. It is understood that he went there as the red army was asked to participate in the northern military operations. However it is believed that only 10,000 red soldiers may be able to fight.

July 8, 1937.

MAINICKI

COMMUNIST PARTY LEADS LUSHAN CONFERENCE; ANTI-JAPANESE SENTIMENT TO BECOME STRONGER

The Lushan conference will open on July 15 and close on July 23. Importance is attached to the results of the conference as about 300 professors, about 100 representatives of various news papers and other publications and leaders of other political cliques besides the Kuomintang are to attend the conference to discuss government policy.

Since June, Chow Ung-lai, representative of the communist party, has been busy calling on General Chiang Kai-shek at Lushan to consult with him regarding the aspirations of the communist party and various leftist parties. The government policy, which is drawn up in accordance with the agreement concluded between the communist party and the national government, will be the casting point of the Lushan conference.

According to information received from certain quarters the following are important proposals to be submitted to the conferences:-

1. That the National Government permit other political parties to participate in discussing national policy besides the Kuomintang which was formerly the sole political party in China.

2. That the law governing offences against the internal security of the republic be abolished.

3. That the protection of freedom of speech and publication be reconsidered.

4. That the draft of the constitutional law be revised.

The above proposals were made by the communist party some time ago. Thus the communist party is leading the Lushan conference. As a result the anti-Japanese sentiment of the Chinese people will become stronger, thus throwing a dark cloud over Sino-Japanese relations.

JUNIOR CAPTAIN TANAKA TRANSFERRED TO TSINGTAO

Junior Captain Tanaka, assistant naval officer to the Japanese Naval Attache, will leave here for Tsingtao at 2 p.m. July 8 on the s.s. Hoten Maru, being transferred to that port as naval residential officer. Junior Captain Tajiri will arrive in Shanghai from Tsingtao on July 16 on the s.s. Tsingtao Maru to succeed the former officer.

NIPPO

FIFTEEN ANNIVERSARY OF ESPERANTO TO BE OBSERVED
AS NIPPO JAPANESE COUNTRYMEN'S ASSOCIATION OF
JULY 14.

It is reported that under the auspices of the Shanghai Esperanto Association, which is affiliated with the communist party, arrangements have been

SHANGHAI MUNICIPAL POLICE
S. S. REGISTRY.
No. <i>D</i>
Date <i>7/6/37</i>

July 6, 1937.

COMMUNIST LEADERS CHOU TEH AND MAU SHIH-TUNG TO LECTURE
ON MILITARY TACTICS AT LUSHAN

According to information received from reliable sources the communist leaders Chou Teh and Mau Shi-tung have been invited to deliver lectures on military tactics to several hundred young military officers of the Central Government army during the summer military training at Lushan. It is expected that they will give lectures on the theory and practice of war based on their own experiences.

July 6, 1937.

-2-

MAINICHI

ACTIVITIES OF COMMUNIST PARTY: HOW WILL THE NATIONAL GOVERNMENT DEAL WITH THEM?

The Mainichi publishes the following leading article:-

It is an interesting matter to consider what attitude will be adopted by the Chinese communist party after its agreement to co-operate with the National Government. The influence of the communists' anti-Japanese activities was not great before the co-operation, but the National Government is now attempting to co-operate with the communists, recognizing the ~~partic~~ present influence in anti-Japanese activities. The masses' movement for the release of the seven arrested leaders, which is directed by the communist party, is a political movement with the object of realizing a popular administration. The growth of this movement is a menace to the Nanking regime. General Chiang Kai-shek and his clique are attempting to prevent the movement from growing by changing their present dogmatic administrative policy at the ~~Insan~~ conference to be held as from July 15.

The communist party, which has succeeded in revising the regulations governing the elections and the organization law by means of moving public opinion, is now endeavouring to elect leftists and to destroy public confidence in the representatives elected by the Government, through the influence of the Students' National Salvation Association, the Women's National Salvation Association and the Professors' National Salvation Association.

The National Government's policy is to pacify anti-Government elements by listening to public opinion to a certain extent and then to deal with the national salvation groups. For this purpose the Government has called a conference of educated persons at ~~Insan~~ to consider the matter.

NICHI-NICHI

JAPANESE AUTHORITIES TO ASSIST FORMOSAN EDUCATION IN SHANGHAI

It is reported that 680 Formosans are residing in Shanghai and that at the end of last year they formed a Formosan Residents' Guild consisting of 130 members to represent them. Every Formosan family has been seriously considering the education of its children as the majority of the children are attending Chinese schools where anti-Japanese lessons are being given. In view of this the Second Section of the Japanese Consular Police have decided to assist the local Formosans so that their children may receive a Japanese education. An Inspector of the Second Section of the local Japanese Consular Police who is leaving here on July 13 on a tour of inspection of Formosan education at various places in China, will proceed to Formosa with a view to securing financial assistance from the Formosan Government for Formosan education in Shanghai.

May 21, 1937.

-3-

sources, which action is prohibited in the agreement reached between the two countries. China is now attempting to rebuild the railway in question completely as a part of her five year plan for the construction of railways.

When we consider such activities together with the activities of the Revenue Guards, we must open our eyes to the danger to the privileges we have secured in Shantung and to the interests of our residents there.

MAINICHI

GENERAL MEETING OF NATIONAL SALVATION ASSOCIATION AT YEN-AN

On April 12, 1937 the North-West Youngmen's National Salvation Association held a general meeting at Yen-an, a Red city in Shensi Province. 390 persons were present.

The following make up the honorary presidium of the Association:- Madame Sun Yat-sen, General Tsai Ting-kai, Ma Siang-pah, General Kuo Tso-dong, General Chiang Kai-shek, General Yen Shih-san, Mau Shih-tung, Chu Teh, Chow Ung-lai, General ang Fu-cheng, General Chang Hsueh-liang, General Hu Chung-nan, General Fu Tso-nyi, Tsang Nai-chi, Oo Lung, Ling Pah-chu, Ling Piao, Bang Tuh-hwei, General Feng Yu-hsiang, Tseu Tao-fun, Chang Kuo-zeu, Madame Liao Chung-kai, Dao Ying-ts, Dr. Sun Fo, Kuo Hung-tsing and Yang Tsing-yui.

The presidium of the meeting consisted of 23 persons, including one Mohammedan, one Mongolian and one Korean. Communist leaders, Mau Shih-tung and Chu Teh delivered speeches. The presidium issued the following telegram addressed to the Nanking Government:-

1. The National Salvation movement leaders should be immediately released.
2. Sincere and peaceful unification of the country and prevention of national humiliation should be brought about. Emancipation of the Chinese people should be completed.

The following is the gist of Mau Shih-tung's speech:-

"Since the September 18th incident in Manchuria international relations and the internal political situation in China are greatly changed. We are now faced with the destruction of our country and people. We are hoping to effect resistance against foreign Powers, the unification of China and improvement of the people's livelihood. The north China incident in 1935, the Sian incident, and the recent Third Plenary Session show the seriousness of the national crisis. We must perform our duty by resisting Japan. We have changed all our slogans in the interests of our people. We now must destroy x x imperialism which attacks us. Is the only way for us to save our people and country; we must cease civil war and fight against our foreign enemies.

The presidium held a meeting and appointed a standing presidium and five committees. Meetings were held over a period of five days.

POLICY TO BE ADOPTED BY CHINESE COMMUNIST PARTY
TOWARDS JAPAN AND KUGUJITANG

(Continuation of May 11th's translation)

Miss Smedley- How can you apply the principle of the united front in the Soviet district and other districts? For instance how will you deal with merchants, educated people, landlords, farmers, labourers and army?

Kau Shih-tung- We do not treat merchants in a discriminatory manner. We are advocating the development of national commerce and industry. The Red Army has been giving protection to merchants everywhere. Of late, the Red Army gave protection to merchants and did not confiscate any land from landlords in Sien and Sanyuen. Thus the Red Army won the favour of the public. In the Soviet district trade is free, educated persons are protected, experts, literary men and artists are receiving favourable treatment, and lands are not confiscated from landlords unless the latter oppose the anti-Japanese and national salvation movement.

As regard labourers, efforts are being made to introduce better treatment.

Towards the National Government army efforts are being made to secure close co-operation so as to turn all rifles against Japan and to cease civil war. The Red Army has fought the National Government for the past ten years, but we are prepared to forget the past and wish to fight for our country.

Miss Smedley - Does the new policy of the united front mean that the Chinese communists have become nationalists, to form a national united front?

Kau Shih-tung- As I have stated our aim is to resist Japan and to protect China. In order to bring this about the civil war must be stopped and individual interests must be sacrificed for public interests. Every member of any party must know this principle. The communist party will never work for individual or one-party interests, but for the interests of the whole nation. (To be continued).

The Shanghai Evening Post & Mercury, Monday, April 26, 1947

Red-Kuomintang Pact Concluding

Reconciliation Looms As Talks Conclude, Troops Shift

Negotiations concerning the reorganization of the Kuomintang and the Chinese communists in line with the four principles laid down by the third plenary session of the Central Executive Committee at Nanking last February are today reported to have reached the concluding stages.

Mr. Chang Chung, member of the C.E.C. who has been conducting the negotiations with the communist leaders in Northern Shensi, has returned to Nanking after reporting on the results of the conversations to the government leaders. It is stated that Mr. Chang has already resumed the negotiations in North Shensi after the Nanking trip with a view to obtaining an agreement at an early date. He passed through Kai-feng on his way from Nanking to Shensi and North Shensi about 12 days ago. It is reported.

To Disband Army?

Unconfirmed reports declare that the tentative agreement reached in Northern Shensi provided, among other things, for the establishment of a commission composed of communist and Nanking appointees ostensibly for the disbandment of the Red Army. The commission, expected to be headed by Chow En-lai, influential Red leader, would be in charge of the Soviet regions with headquarters in Fushih. It will also be in charge of the "nationalization" of the Red Army which, however, is to remain inside the present Soviet area. Both the communist and Nanking authorities desire the rest of the Red Army in their present areas. The former is afraid of splitting of the forces for eventual disbandment and the latter considers the step a precaution against communist infiltration.

The Soviet government, Soviet areas and Soviet titles will be abolished following the conclusion of the agreement. Chou Teh and Miao Tse-tung, the agreement is also stated to provide, will go abroad, presumably to Soviet Russia. These reports, however, still lack official confirmation.

No Big Change Seen

Meanwhile, reports are current today that Nanking is seriously considering a plan to "nationalize" the Northeastern Army which is traditionally and historically a force headed by Gen-

eral Chang Hsueh-liang, the important political figure now without a post. No major changes are expected in the command of the forces but the organization of the troops would be strictly in line with the Central Government army. The monthly appropriations for the army will be increased by \$30,000 or \$40,000 from the present allowance of \$3,000,000, it is said.

A special committee will be established to take charge of the changes. The committee is likely to be headed by General Lin Shih, pacification commissioner of Shensi and Anhwei provinces. Steps for the enforcement of the reported scheme were discussed in Kai-feng recently by General Chen Cheng, administrative vice-minister of war. General Chen was returning to Nanking today to report on the negotiations.

Cavalry Remains

General Yu Hsueh-chung's troops which are a part of the Northeastern Army, have arrived at their new garrison posts in Anhwei from Kansu and Shensi areas. The entire evacuation of the Northeastern Army from Kansu and Shensi has now been completed. Only the cavalry units under General Ho Chu-kue are remaining in Shensi.

General Chang Hsueh-liang is still in Szechuan and no new appointments for him has been mentioned so far.

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GEN. YANG HU-CHEN TO TOUR ABROAD

Shan Rebellion Leader to Go to Nanking for Passport

Nanking, Apr. 25.

It is reported that General Yang Hu-chen, Pacification Commissioner for Shan, will leave for Europe and America before the end of the month on an investigation tour. The Shan leader is expected to proceed here to arrange with the Ministry of Foreign Affairs for his passport. Mrs. Yang is understood to have arrived at Shanghai to await her husband.

Rehabilitation measures agreed for the North-west are being instituted by General Ku Chu-tung, Director of the Shan Provisional Headquarters of the President of the Military Affairs Commission.—Kuo Min.

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Communists Ask Patriot Release

Appeal On Behalf Of 7 Salvationists Made To Kuomintang

An appeal for the immediate release of the seven leaders of the All-China National Salvation Association arrested in Shanghai on November 23, last year, has been issued by the Central Committee of the Chinese Communist Party with headquarters in Fushih, Northern Shensi.

The communists also asked an immediate revision of the Emergency Law for the Suppression of Crimes Against the Safety of the Republic under which the seven leaders and three others are being charged at the Kiangsu High Court in Soochow. "We declare that real preparation for a war of resistance is to grant democratic rights to the masses of the people," the manifesto, dated April 12, declared.

The manifesto, as whole, is worded in a much more conciliatory tone than were Communist documents of the old days. "We expect the sincere reconsideration of enlightened leaders of the Kuomintang in this case," it said in part, instead of branding the Nanking leaders as "traitors", as the former documents did. Another salient feature of the manifesto is that it based its arguments more on the San Min Chu I, or Dr. Sun Yat-sen's political teachings, than on communism.

Meanwhile, the seven leaders are still in the Kiangsu High Court cells waiting for the formal trial, said to have been scheduled for April 28. A postponement likely.

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April 16, 1937.

MAINICHI

POLITICAL CO-OPERATION BETWEEN SOVIET RUSSIA AND
CHINA: INTERNATIONAL UNITED FRONT AGAINST
JAPAN

The Soviet Ambassador, Mr. Bogomoloff, who has been conferring with the Foreign Ministry, Mr. Wong Chung-hui, in order to promote Russo-Chinese relations, returned to Shanghai on April 15. He will return to Nanking before April 20 to exchange opinions with the Chinese authorities and with the American, British and French representatives regarding the promotion of Russo-Chinese relations.

A close watch is being kept on the nature of Soviet Russia's new policy towards China which has been brought here by the Soviet Ambassador and is not known to the public, because it will greatly affect the situation in the Far East.

According to information received from reliable sources, Soviet Russia's policy towards the Far East has taken a step forward in declaring peace between the Kuomintang and the Chinese communist party and unifying all anti-Japanese factions in China. The Soviet authorities in China are actively engaged in promoting Russo-Chinese relations by turning the direction of the Chinese communist activities which have been obstacles to the promotion of Russo-Chinese relations.

The following is believed to be the Soviet's plan regarding conclusion of a treaty with China and regarding her policy towards Great Britain, America and France in relation to her policy towards China:-

Soviet Russia has been endeavouring to conclude a commercial treaty with China for the past two or three years but without success due to China's fear of the Powers' suspicion regarding a Russo-Chinese treaty. Soviet Russia will open negotiations with China to change the Russo-Chinese commercial treaty drafted previously into a commercial and political treaty on the principle of mutual benefit, in order to enable Soviet Russia to commence her economic activities in the North by exporting war materials and heavy industrial products to China, and to enable China to export tea and agricultural products to Soviet Russia. Soviet Russia will open negotiations with the Chinese, the British, the American and the French authorities in China to form an international united front against Japan for the purpose of maintaining peace in the Far East.

FLOOD OF ANTI-JAPANESE PUBLICATIONS

A Daito telegram from Tientsin reports that the Japanese military telephone lines in the North have frequently been cut in violation of the Umetsu-He Ying-ching Agreement and at the same time the number of anti-Japanese publications has increased. Between March 1 and 14, 25 anti-Japanese magazines and 19 anti-Japanese pamphlets were published in Tientsin and 27 anti-Japanese

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MAINICHI 18437.

COMMUNIST LEADER TO PROCEED TO FENGHUA

As the negotiations between the Kuomintang and the Chinese Communist Party for co-operation have come to a final point, Chow Ung -lai, leader of the Chinese Communist Party, will proceed to Fenghua at the end of this month to conclude an agreement with General Chiang Kai Shek for co-operation. The questions waiting for solution are the number of the Red Army to be retained and the upkeep for the army which is to be paid by the Nanking Government, which maintains that only 30,000 soldiers at \$100,000 a month should be retained, while the

Communist Party demands 60,000 soldiers and \$500,000. The Nanking Government wishes to appoint a vice-commander-in-chief and political training officers of the army from Nanking while the Communist Party is opposed to this. It is reported that as regards the governing power of the Communist Party over 20 hsien in the northern part of Shensi, the southern part of Kansu and a part of Suiyuan Province are a special district. Therefore, it is believed that a compromise will be reached between the Kuomintang and the Communist Party.

D. J. Hach

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L. D. J. Sch

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Eastern Daily News (東方日報) :-

MAU SHIH-TUNG REPORTED GONE TO EUROPE

Mau Shih-tung (毛澤東), military leader of the Communist bandits, was in Weinan, Shensi, a few days before General Chiang Kai-shek, Chairman of the Military Affairs Commission, was freed by the insurgents from Sian.

It is said that Mau left for Europe in the middle of February overland via the North-west. The truth of this report is not known.

21457

THE SHANGHAI TIMES, TUESDAY, APRIL 27, 1937

AMONG COMMUNISTS IN SHENSI



Mr. Earl G. Leaf, manager of the United Press Bureau in Tientsin, returned to his headquarters from an extensive tour in the North-West including Shensi where he visited Communist leaders. This photo, taken at Nanchang, North-West Shensi on April 6, shows Mr. Leaf interviewing Communist leaders. Left to right—Mao Tse-tung, Mr. Leaf, Chu Teh, Miss Yieh Fang-kuei. (Dowd.)

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POLICY TO BE ADOPTED BY CHINESE COMMUNIST PARTY
TOWARDS JAPAN AND KUOMINTANG

S. B. RECORD

(Continuation of May 14th's translation) 77914

Miss Smedley- What was the plan submitted by the Communist Party for peaceful solution of the Sian incident? I hope you will give an explanation of it.

Mau Shih-tung- It was not an accident but a natural consequence. Since Japan started x x activities everybody has been desirous of ending civil war and combining to resist Japan. About 4 years ago the Communist Party made a proposal for an anti-Japanese co-operation between the National Government and the Communist Party, on three conditions. On August 1, 1935 it issued a declaration and later sent a letter to the Kuomintang proposing the formation of a united front. During the Sian incident a certain section of our people were engaged in promoting civil war, thereby endangering China. The political situation in China at that time showed that large-scale civil war was to be expected at any moment. Japan was thus offered an opportunity and China was faced with a most critical situation. A section of Japanese people and a large number of Chinese believed that the Sian Incident had been engineered by the communist party, but their belief was wrong. The incident was caused by the different political views held by Chinese politicians regarding the anti-Japanese question and introduction of reforms into the government. We

May 17, 1937.

NIPPO

POLICY TO BE ADOPTED BY CHINESE COMMUNIST PARTY
TOWARDS JAPAN AND KUOMINTANG

(Continuation of May 15th's translation)

Miss Guedley - some say that the present policy of the Communist Party towards the Kuomintang is submissive. What do you think about it?

Mau Shih-tung - Japanese do not like to see the communist party adopt such a policy, because they wish to see the communist party fight the Kuomintang. Co-operation between the communist party and the Kuomintang is a blow to Japan's policy towards China. Japan's opposition to our policy means that we are adopting a correct policy. Undoubtedly we are making a great concession to the Kuomintang in the interests of our people by changing the name of the army and ceasing confiscation of lands. Such a concession is absolutely necessary in order to resist Japan and save the country. The Kuomintang is making very slow progress yet among its members anti-Japanese feeling is growing daily. This was proved when the Third Plenary Session was held. Persons who care about their private interests while neglecting public interests are pro-Japanese.

Miss Guedley - What is your attitude towards the Three Principles of the People?

Mau Shih-tung - We obey the principles, otherwise we would not have joined the Kuomintang between 1925 and 1927. A number of our communist party were formerly important members of the Kuomintang. Our present duty is to apply the Three Principles by resisting foreign Powers and adopting the system of a true republic. There is no difference between our principle and the Three Principles of the people. In other words we are struggling to apply these principles. In his Three Principles, the late Dr. Sun Yat-sen stated that persons who know how to cultivate should own the land. This principle agrees with our principle of land ownership. The late Dr. Sun Yat-sen also was a follower of communism.

May 15, 1937.

Morning Translation.

National Herald and other local newspapers :-

NEW INSTRUCTIONS FROM CENTRAL KUOMINTANG TO TANGPUS

The local Tangpu Headquarters yesterday received the following order, No. 4848, Character "Shi-~~3~~" (~~3~~), from the Central Executive Committee of the Kuomintang:-

"To assist popular movements and to protect proper opinions is the unified policy of this Party. It was the object of the Revolution launched by this Party to arouse the people and seek liberty and equality for China; therefore we should not suppress any lawful speech or movement of the people, but should lose no time in promoting and cherishing them.

"In recent years, the nation has been faced with increasing difficulties; she is surrounded by dangers on all sides. In order to eradicate rebellious elements and strengthen the national foundation, it is particularly important at this moment to observe the unified policy of this Party by giving the greatest possible freedom to the expression of opinions and according constant assistance and guidance to the popular movements, so that the people may, under the leadership of this Party and its policy, concentrate their will, unify their movements and endeavour harmoniously to accomplish the difficult task of rejuvenating and saving the nation.

"If, however, due to inadequate knowledge or prejudicial and violent sentiments, some people should go beyond lawful limits in their speeches or movements, or even attempt to subvert the Government or injure the Republic under the cloak of patriotism, such acts must be restricted or suppressed according to law.

"In enforcing the above mentioned policy, it is also important, as fundamental measures, to accelerate the training of the people and push ahead social education, local autonomy, co-operative movements, etc. thereby increasing the knowledge of the people, strengthening their organization, stabilizing their livelihood and making every one of them a productive member of society and a worker for the welfare of the country. The people's speeches and movements will then be in accordance with the national policy of solidifying the strength of the people and concentrating the national power, and the policy of this Party of assisting popular movements and protecting proper opinions will be able to materialize.

"Apart from writing to the National Government with a view to having its various subordinate organs instructed accordingly, this Committee hereby orders all Tangpus to observe and instruct their subordinates to observe the idea set out in the preceding paragraphs.

Chiang Kai-shek, Wang Ching-wei,
Chu Cheng, Peng Yu-hsiang, Ting Wei-
feng, Yih Chu-tsang, H.H. Kung,
Chow Lu and Chen Li-fu,
Standing Members of the C.E.C.
of the Kuomintang."

May 14, 1937.

-2-

Kin Jun Kon, aged 26, who was arrested in the French Concession as the result of an explosion whilst manufacturing a bomb which gave away the secret, was likewise tried in Korea and received a sentence of four years' imprisonment.

NIPPO

POLICY TO BE ADOPTED BY CHINESE COMMUNIST PARTY
TOWARDS JAPAN AND KUOMINTANG

(Continuation of May 13th's translation)

Mau Shih-tung - As regards the question of class struggle the following plans will be adopted:-

(1) If landlords and capitalists continue to oppress the farmers and labourers without considering their better treatment the latter will be rendered unable to resist Japan. As a result our nation will perish and capitalists and landlords will become slaves. For this reason, educated capitalists and landlords should make efforts to improve the political and industrial life of the people for the sake of our nation. If capitalists and landlords cannot share their food with farmers and labourers the latter must starve. We cannot protect the interests of the people unless traitors and running dogs are removed. In order to carry out this plan we submitted a proposal to the Kuomintang and should receive a sincere reply if the latter desires to look after the interests of our nation.

(2) Farmers and labourers are poor yet they are the very foundation of China as the majority of the population belongs to these classes. Without them we cannot protect our country and resist Japan. Unless their political and economic life is improved their complaint against the Government and the Kuomintang will never be removed. We always put demands which are necessary for resistance against Japan. We have abandoned the policy of confiscating lands from landlords in order to improve the livelihood of our people.

The plans suggested by the communist party were drawn up with a sense of patriotism. Certain persons say that communists are internationalists, that they do not care about the interests of a particular race and that they do not wish to protect their own country, but Chinese communists love and protect their country although they are world revolutionists. They desire to resist Japan to the last drop of their blood in order to protect China. Everybody knows that for the past 15 years the Chinese communist party has been directing the movement for national emancipation.

Miss Smedley- If you succeed in establishing a Chinese National Front Government what will you do with Japan regarding peace? Are you going to carry on negotiations with Japan?

Mau Shih-tung- If Japan desires to make peace with us we will not refuse to negotiate with her.

May 14, 1937.

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No. 1
Date 1 / 1 / 1937

The following are our conditions for peace:-

(1) Japan should abandon her policy of invasion of China, cancel Hirota's three principles of continental policy, respect China's independence and place the two countries on absolutely equal footing.

(2) Japan should return Manchuria to China and abolish the East Hopei Autonomous Government.

(3), (4), and (5) conditions omitted.

(6) Japan should suppress smuggling.

(7) Japanese in China should not adopt violent attitude towards Chinese.

We can open negotiations with Japan only when she agrees to the above mentioned points. We are strongly opposed to conducting negotiations while the territorial integrity of China is being sacrificed.

Miss Smedley- Is a Sino-Japanese war inevitable?

Mau Shih-tung- Yes, it is inevitable. Since the German-Japanese agreement was concluded, the danger of war between Japan and China has increased.

Miss Smedley- The Japanese authorities maintain that co-operation between the National Government and the Chinese communist party endangers peace in the Orient. What is your theory regarding this?

Mau Shih-tung- The meaning of peace in the Orient as advocated by Japan is greatly different from what we mean by peace in the Orient. Peace to us means allowing our people to lead a peaceful life and trade with all Powers in peace.

Miss Smedley- A Sino-Japanese war does not agree with the plan for world peace. Is there any way to reconcile these two plans?

Mau Shih-tung- A Sino-Japanese war does not agree with the plan for world peace, but only Japan desires war while the majority of world Powers desire peace. There is only one way to prevent war and that is to make Japan subject to world opinion by means of co-operation between China and all other world Powers which oppose Japan's x x policy. If this is impossible China must choose war. For the maintenance of world peace one must repel an invader.

Miss Smedley- Do you believe that the Nine Power Treaty, the Kellogg Pact, and the League of Nations can prevent Japan from attacking China? What use will the treaties be in case of a war between Japan and China?

Mau Shih-tung- These treaties express merely a hope for world peace. For this reason, invaders oppose peace treaties. The treaties may impose moral punishment on a country like Japan but cannot prevent Japan from invading China. Such treaties cannot have any important effect in case of a war between Japan and China as they have no political significance. A new treaty of the Powers bordering the Pacific is absolutely necessary if it is desired to prevent Japan from invading China. Only thus can Japan be forced to maintain peace.

Miss Smedley- Do you think that China can fight Japan after a United Front Government is formed? Even then will you not need further preparations for war?

May 14, 1937.

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Mau Shih-tung- It depends upon the Japanese attitude. If Japan attacks China we will have to fight her at any time. We do not challenge Japan to war. Our policy is a defensive one. Thus we must make speedy preparations to defend ourselves. We are opposed to a long period of preparation and to the plan for compromise while preparing for war.

Miss Smedley - Do you think that China can vanquish Japan in a war through her own finance and resources only and without the assistance of other Powers? Can China finance such a war?

Mau Shih-tung- China must fight even though she cannot secure assistance from other Powers. I believe China's resources and geographical conditions will enable us to operate military activities for a long period. The ten years' history of our Red Army supports my belief. We must remember that, in case we secure assistance from other Powers, Japan will not be alone as Germany will assist her according to the agreement concluded. We advocate a united front of Great Britain, America, France, Soviet Russia and China on the Pacific Ocean, because it will be for the good of all. Japan's attack on China will not only be a calamity for China but also for the world. Germany is also an evil influence as she concluded a treaty with Japan and these two countries are invaders. China, America, Great Britain, France and the Soviet should form a united front as quickly as possible otherwise they will be attacked.

Miss Smedley - Will Japan's finance and trade be effected in case of such a war if she is in an ally of Germany and Italy? Can Japan carry on such a war with the assistance of Germany and Italy?

Mau Shih-tung- Japan cannot receive any benefit by waging a war on China. Japan's victory over China would result in her financial ruin. Japanese capitalists are aware of this point. Japan has concluded an alliance and is endeavouring to secure the assistance of Germany and Italy towards war. Japan is dreaming of world dominion, but I do not think she will get it. (To be continued)

May 11, 1937.

S. B. RECORDS

No. D

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Date 11 / 1 / 1937

proceed towards Miao-hong Tsung. Acting on information the Chinese police dispatched a number of officers who succeeded in dispersing the crowd.

NIPPO

POLICY TO BE ADOPTED BY CHINESE COMMUNIST PARTY
TOWARDS JAPAN AND KUOMINTANG

The following is the nature of a conversation between an American lady reporter named Smedley and the communist leader Mau Shih-tung regarding the future policy to be adopted by the Chinese communist party towards Japan and the Kuomintang:-

Miss Smedley- Is the present united front policy being adopted by the communist party fundamentally different from the policy you described to a reporter named Edgar Snow last autumn?

Mau Shih-tung- There is no difference.

1) Our united front is for resistance against Japan. We do not oppose all imperialism, only the particular imperialism which is invading China. We are seeking the sympathy of Great Britain, America, France and Soviet Russia in connection with our anti-Japanese movement and we endeavour to cultivate friendship with these countries.

2) Our united front is national. This means that it includes all parties and all classes of people except traitors. Certain people say that the communist party is advocating a people's front, but this is a mistake. The united front of the communist party is a national united front and not a people's united front such as is being advocated in Spain.

3) The following are the important aims of the anti-Japanese national united front:-

- a) Peace and unity.
- b) War against Japan.
- c) Freedom of the people.
- d) Nanking Government to accept all parties and dismiss pro-Japanese officers.
- e) Government administration be reformed and the system of universal suffrage and a people's republic be instituted.
- f) To improve the people's livelihood.
- g) To improve commerce and industry.
- h) To co-operate with the countries which sympathize with China in resisting Japan.

Miss Smedley- What sacrifices have you made in order to complete the anti-Japanese united national front?

Mau Shih-tung- In the summer of 1927 the Kuomintang abandoned the united front of Kuomintang and the communist party as well as the co-operative policy of China and Soviet Russia which was adopted by the late Dr. Sun Yat-sen, thus making the communist party bear the responsibility of national revolution. Since then the communist party has co-operated with Soviet Russia against the National Government. The policy adopted by

May 11, 1937.

-4-

the communist party was natural and correct. Following the September 18 incident the communist party issued a declaration demanding the end of civil war and attempted to compromise with the National Government on three conditions. These were rejected by Nanking and accepted by the 19th route army. The Nanking Government carried out an anti-communist campaign.

On August 1, 1935 the communist party issued a manifesto declaring formation of an anti-Japanese and defensive government and in December, 1935 issued another declaration announcing a party resolution to form a people's anti-Japanese united front. The declaration won the favour of the people as well as of a number of the Kuomintang members, but the National Government still stuck to its old policy. In August, 1936 the communist party again sent a lengthy letter to the National Government requesting it to convert the civil war into one against Japan and to reform the government system in accordance with the three principles of the late Dr. Sun Yat-sen. The letter won the favour of many Kuomintang members, but no reply was received from the Kuomintang.

After the Sian incident the National Government was faced with a critical situation and desired internal peace. On February 10, 1937 the communist party sent a telegram to the Kuomintang setting out the following conditions:-

1. Soviet Government to be made a special section of the National Government and the red army to receive instructions from the Military Affairs Commission of the Nanking Government under the name of the National Revolutionary Army.

2. Republic be introduced in the area under the control of the special section.

3. The plan to over-throw the National Government to be abandoned.

4. The policy of confiscating lands from land owners to be abolished.

These proposals were carried out and removed all doubts and enabled the formation of an anti-Japanese national united front between the Kuomintang and the communist party (To be continued).

April 28, 1937

SHANGHAI MUNICIPAL POLICE
S. B. REGISTRY.
No. <u>D 7794</u>
Date <u>28 11 13</u>

NIPPO

FINAL STEP FOR CO-OPERATION BETWEEN NANKING GOVERNMENT
AND COMMUNIST PARTY; JOINT COMMITTEE TO DISSOLVE
RED ARMY

The question of co-operation between the Nanking Government and the Chinese Communist Party is drawing public attention as it will bring a great change to the Nanking Government administration. The movement for co-operation has been greatly advanced since Mr. Chang Chung, a member of the Central Executive Committee, returned to Nanking after holding conferences with Chow Ung-lai, representative of the Chinese Communist Party, and other important communist leaders in Shensi.

On April 26 the Central Political Council held a meeting at which a final decision was reached regarding the four conditions submitted by the Chinese Communist Party for co-operation with Nanking. A few days ago Mr. Chang Chung left for Shensi to reach a complete agreement regarding the co-operation. According to information received by certain quarters, one of the four conditions states that a tentative agreement will be concluded regarding the dissolution of the Red Army. For this purpose a joint committee will be formed with Chow Ung-lai as chairman. The Committee will re-organize the red army in the present Soviet district and the re-organized army will remain where it is, as neither party wishes to see it moved. All Soviet terms used in the government and the district will be abolished, and Chu Teh and Mau Shih-tung, leaders of the communist party, will proceed to Soviet Russia in accordance with the agreement.

"RECORD OF NATIONAL CRISIS" CONFISCATED

On April 23 the S. M. P. and the City Government Police Bureau raided a Chinese book store known as the Reading Life Society located at No. 71 Love Lane and seized 30 copies of a pamphlet entitled "Record of National Crisis".

On April 26 the First Special District Court issued an order for the confiscation of the seized pamphlets, as a result of the trial of the case. The "Record of National Crisis" was drawing public attention because of an abusive expression used on page 9.

April 26, 1937.

NICHI-NICHI

FINAL COMPROMISE BETWEEN NATIONAL GOVERNMENT
AND COMMUNIST PARTY

A special telegram from Nanking reports that at 10 a.m. April 24 Mr. Chang Chung, member of the Central Executive Committee, who had returned to Nanking after holding conferences with Chow Ung-lai, representative of the Chinese Communist Party, at Sian to compromise with the latter following the Third Plenary Conference held at Nanking, passed Kaifung on his way to Sian to bring about a final compromise between the Nanking Government and the Chinese Communist Party. During the last conferences no definite understanding was reached for re-organization of the Red Army and abolition of Soviet districts.

Mr. Chang Chung is a member of the Feng Yu-hsiang clique and the pro-Soviet party as well as being one of the directors of the Sino-Soviet Cultural Society.

NIPPON

ECONOMIC ACTIVITIES OF GREAT BRITAIN AND AMERICA
IN CHINA

The Nippo publishes the following leading article:-

Among Powers which are exporting their products to China recent statistics show that America occupies the highest position. America cannot overlook the trade activities of Japan and Great Britain in China and she must compete with them in order to secure the widest market in China. For this reason, America recently sent Mr. Pearson, President of the Export and Import Bank, to China.

As a result of the arrival of Mr. Kirkpatrick and Mr. Pearson in China, the economic activities of the Powers concerned will become conspicuous as well as their political activities to expand their influence. These activities will not bring any good to China. The people in the Orient are opposed to such activities because they will endanger peace in the Orient. It is to be hoped that the National Government will be warned against the economic activities of the Powers in China which will turn China into a colonial market for their products.

7704

Shanghai Pao (上海報) (April 24) :-

CHINESE COMMUNIST PARTY SURRENDERS TO GOVERNMENT

With a view to strengthening her international position, Soviet Russia is compelled to give up, for the time being, her scheme to bolshevise the world. The Chinese Communist Party will have to alter their policy now that support from the internationale is discontinued.

During the recent Third Plenary Session at Nanking, it was resolved that the communists be granted a chance to surrender. After this, one clique of the Chinese Communist Party suggested that they obey the National Government unconditionally and struggle for national salvation under the direction of the Government, while the other clique desired that the National Government should designate certain Hsien in the North-West as a special area for the communist troops and that the Government should immediately declare war with XX. The first clique was victorious as a large number of the communists supported the suggestion that they surrender to the National Government unconditionally. Sometime ago, Chow Ung-lai (周英来), Mau Shih-tung (毛澤東) and Chu Teh (朱德) met in North Shensi and discussed the future policy of the Communist Party.

The Communist Party in China has now suspended all activities, and the red band on their uniforms and the half moon and sickle flag on their hats has also been taken away. Therefore, there is no special insignia for the so-called communist troops at the present time. The connection between the Communist Party in China and Soviet Russia has been completely severed.

The Chinese Communist Party has thoroughly understood the policy of the National Government. We hope that they will observe the Three Principles of the People and work for the country under the leadership of the National Government.

February 16, 1937.

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Afternoon Translation.

Hwa Mei Wan Pao dated February 15 :-

CITIZENS FEDERATION'S TELEGRAM TO THIRD PLENARY
SESSION

On the morning of February 15, the Shanghai First Special District Citizens' Federation and its various branches sent a telegram containing the following five points to the Executive and Supervisory members of the Third Plenary Session:-

(1) It is known to all that the principal cause of our national crisis is external aggression, lack of military and political unification and weakness of the administrative bureau, as witness the recent uprising in Shensi and Kansu. The Third Plenary Session should devise ways and means to consolidate the foundation of national unification.

(2) The political tutelage by the National Government has lasted ten years. Last year the National Government proposed the holding of a National Citizens' Convention to enable the people to participate in the administration of political affairs. Owing to disturbed conditions, the proposal could not be carried out. The Third Plenary Session should fix a date for the convocation of a National Citizens' Convention so as to strengthen the foundations of our Government.

(3) The uprising in Shensi and Kansu has been settled, yet in view of the fact that the trouble had lasted for more than one month, the remnants of the bandits were able to revive their activities, thereby causing great distress to the people of the two provinces. The Third Plenary Session is, therefore, requested to devise measures for the relief of the distressed people with a view to bringing about peace and order in Shensi and Kansu.

(4) The plight of North China is becoming increasingly dangerous, while the various provinces along the coast are coveted by the aggressor. For this reason, we must strengthen our national defence to resist external invasion. The Third Plenary Session should draw up an estimate for national defence.

(5) Lastly, the Third Plenary Session is requested to accelerate economic reconstruction of the country and improve transportation with a view to improving the living conditions of the people.

The Helms (Comment) :-

CHINESE KILLED IN MOTOR CAR ACCIDENT

According to newspaper reports, a Chinese was killed during the lunar New Year holidays by a motor car driven by a subject of a friendly nation who was not qualified to drive a car.

If the driver in this case had been a Chinese and the victim a subject of the friendly nation, most probably the residents of Shanghai would have been busily engaged in removing their homes and would not have been able to enjoy the New Year holidays.

SHANGHAI KPH MUNICIPAL POLICE.

File No.

A. S. L. D. 779

S. 1, Special Branch, Section 2

REPORT

Date Feb. 23, 1937

Subject Communist handbill delivered by post to Shanghai Football Association, 119 Nanking Road, on February 19, 1937.

Made by D. I. A. Kuo Hwa Hwa

Forwarded by T. Boyne D. S. I

With reference to the attached copy of a communist circular dated February 10, 1937, which was delivered on February 19, by the Post to the Shanghai Football Association, No. 119, Nanking Road, I have to report that the document in question reproduces a telegram containing proposals purporting to have been sent to the Third Plenary Session and drafted by the Central Committee of the Chinese Communist Party calling for co-operation with the Kuomintang and the National Government.

The problem of reconciliation with the communist-bondits was, however, fully discussed at the Sixth general meeting of the Third Plenary Session of the Fifth Kuomintang Central Executive Committee on the afternoon of February 21 when the following resolution was passed:-

That until and unless the communist-bondits sincerely repent their past mistakes, obey the Three People's Principles, abide by the Nation's laws and strictly adhere to military discipline, there could be no question of the Central Government accepting their offer of reconciliation.

The resolution, which was moved by the Presidium, listed four major conditions under which the Central Authorities would be prepared to effect a reconciliation with the Red bandits, which are as follows:-

- 1) The abolition of the Red Army and its incorporation into the unified command of the nation's armed forces.
- 2) The unification of Government power in the hands of the Central Government, and the dissolution of the so-called "Chinese Soviet Republic" and other organizations detrimental to Government unity.
- 3) The absolute cessation of communistic propaganda.

SHANGHAI MUNICIPAL POLICE.

File No.

REPORT

- 2 -

Station,
Date. 19

Subject

Made by Forwarded by

which is diametrically opposed to the Three
People's Principles.

4) The stoppage of the class struggle which
splits society into antagonistic classes and
invites mutual destruction.

The text of the telegram contained in the aforementioned
circular somewhat agrees in principle with a similar document
obtained by the Municipal Police on January 5, 1937, containing
a circular telegram which purports to have been jointly
despatched by the Central Government of Soviet China and the
Central Committee of the Chinese Communist Party and which
advocates the convening of a joint conference at Nanking of
Kuomintang and Party representatives to discuss national
problems.

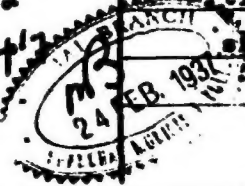
Discreet enquiries made regarding the author or authors
of this missive have so far been without result. The postal
cancellation marks on the envelope indicates that the letter
was posted at 9 p.m. 18/2/37, but the character indicating the
place of postage is undecipherable.

Sub. Tiao. Hua
D. I.

D.C. (Special Branch).

It is suggested that the Secretary of the Shanghai
Football Association be informed verbally of contents of
translation and asked to forward further pamphlets of a
similar nature received by them direct to this office.

21/2/37
23/2
Have done
So as to see



S.1
24/2

24/2
23/2

Memorandum.

From

SHANGHAI FOOTBALL ASSOCIATION*(Affiliated to the Football Association, England)*

ROOM 4B

119 NANKING ROAD

Shanghai, Feb. 19th 1937

To **The Shanghai Municipal Police**

Present.

Dear Sirs,

Standard Form - E
Central Reg. 14 / 1 / 1937

The enclosed letter was received in this morning's mails, and understanding that the letter is of an anti-governmental nature, I am forwarding it to you with the request that you please inform me as to the nature of its contents and any steps you would like taken in the matter.

Yours faithfully,


Secretary

Central Registry,
S.M.P. Headquarters,
February 19, 1937.

To
H.M. Aiers Esquire,
Central Registrar.

Sir,

Attached handbill purports to have been circulated by the Central Executive Committee of the Chinese Communist Party and reproduces a telegram recently sent to the Third Plenary Session of the Central Executive Committee of the Kuomintang now meeting in Nanking, in that the Communist Party proposes that the following be adopted as national policy.

- (1) To stop all civil fighting and concentrate national resources against foreign aggression.
- (2) Freedom of speech and meeting and release of all political offenders.
- (3) A meeting to be held of all parties, factions and armies for national salvation.
- (4) To complete as quickly as possible all preparations to resist Japanese aggression.
- (5) To improve the living conditions of the people.

In the event of the above being adopted as national policy, the Communist Party guarantees to

- (1) discontinue its efforts throughout the country to overthrow the National Government by force,
- (2) to rename the Soviet Government as the Chinese Republic Special Area Government and the Red Army as National Revolutionary Army which will be under the direct control of the Nanking Government and its Military Affairs Commission,
- (3) to carry out fully within the territory under the Special Area Government the Min Chu Principles, and
- (4) to discontinue the policy of confiscation of landowners' land.

In making the above proposals public, the handbill further seeks the support of the recipient in the best interests of the nation and people.

For your information please.

Y. O. S.



Translator.